



Excellence in Lighting



33RD ANNUAL REPORT
2009-2010

AUTOLITE (INDIA) LIMITED



Excellence In Lighting



BEML



Mahindra



CATERPILLAR®



**SWARAJ
MAZDA**



Ashok Leyland



TAFE



JCBL
GROUP COMPANY



Certifications

- All Trademarks belong to their respective owners only.
- Autolite (India) Limited Jaipur "A Company registered in India" under the Companies Act, 1956. The Products are sold under 'Autopal' Trademark, which is owned by the company.



Autolite (India) Limited

33rd Annual Report 2009-2010

BOARD OF DIRECTORS

Shri Dharam Pal Gupta	Chairman
Shri Mahi Pal Gupta	Managing Director
Shri Amit Mahipal Gupta	Whole-Time Director
Shri Adarsh Mahipal Gupta	Whole-Time Director
Shri Gauri Shankar Das	Director
Shri Suraj Prakash Batra	Director
Shri Kuldeep Kumar Gupta	Director
Shri Snehil Kumar	Director
Shri Rajendra Singh Mehta	Director

INVESTORS' SERVICE CELL

Shri Vishal Agarwal, Company Secretary

Bankers

Kotak Mahindra Bank Ltd.
Sardar Patel Marg
C-Scheme, Jaipur - 302 001

Auditors

M/s H. C. Garg & Co.
Chartered Accountants,
3, Gangwal Park, Jaipur - 302 003

Registrar & Share Transfer Agent

MCS Limited
C/o Sri Venkatesh Bhawan,
F-65, Okhla Industrial Area
Phase-I, New Delhi-110020

Registered Office

D-469, Road No. 9-A,
Vishwakarma Industrial Area,
Jaipur - 302 013 (Rajasthan)

Works

1. D-469, Road No. 9A,
V.K.I. Area, Jaipur
2. E-526-530, RIICO Industrial
Area, Sitapura, Jaipur
3. Parvati Nagar, Kings Road,
Ajmer Road, Jaipur

Autolite (India) Limited

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Industry Structure, Developments & Outlook

Indian Automobile industry witnessed recovery from global slowdown which was on account of recession and slump in the US economy. Though, the European economy witnessed sharp decline during the year 2009-10, but Indian and other Asian economies recovered substantially during the year 2009-10.

The Automotive component industry in India is emerging as hub which is catering to the requirements of all the major auto industry players. It is supplying entire range of auto components which serves to the requirement of Automobile Industry. India is preferred destination for major Auto manufacturers due to cost competitiveness and Government support for the industry.

The Automobile Industry comprises of Heavy Commercial Vehicles, Medium Commercial Vehicles, Light Commercial Vehicles, passenger cars, two wheelers, tractors, etc. Industry players are introducing new model of vehicles in order to sustain in the market every now and then and Auto component industry has to cater to their requirements as their existence largely depends on the growth and development of Automobile Industry.

Opportunities, Threat

Opportunities

Due to recent global crisis, major auto players shifted their operations to those places which are cost effective to them. As India has good potential of cost effectiveness and also labour is quite cheap as compared to other nations, it will open new growth opportunities for Indian Automotive Industry and consequently the Auto Component Industry.

The Company has entered into plastic lamp segment in the recent past. It sees ample opportunity for the growth in lamps & lighting segment. In halogen lamps, the Company had done major expansion to increase the capacity of halogen lamps to cater to the requirements of users of halogen lamps. The Company is having sound background of research and development and in house technology which is very cost effective.

Threat

The company foresees the China to be the biggest threat for Indian Automotive Industry. China offers various incentives to its manufacturers in form of lower taxation, higher duty drawback on exports and other benefits. Further, stiff competition and continuous pressure from domestic OEM for reduction of price of Auto components and also the presence of alternate components in the market which affects the profitability of the company.

As the company is the exporter of auto components and importer of raw material, the foreign exchange fluctuation will also be the threat for the company.

Risk & Concerns

The Company's operations are affected by External and internal risks and it in turn affects the operations and profitability of the Company. As the company is auto ancillary unit, the business growth of the company is largely depends upon the performance of automotive sector viz. Indian Original Equipment Manufacturer (OEM) and Global Economic conditions. During the year under review, the performance of auto sector has improved considerably after global melt down witnessed during 2008-09. The company is exposed to various types of internal and external risks. Internal risks comprises shortage of working capital, lack of funds for capital expenditure and adoption of latest technology, etc.

External risks includes inflationary conditions, interest rates on the overall performance of automotive sector, condition of global economy, government policy, foreign exchange rates, raw material prices, competition, etc. However, Company focuses its activities towards replacement market and domestic OEM and venture into plastic lights segments which will add towards the growth in revenue of the company.

Autolite (India) Limited

Product-wise performance

The company operates mainly in three Automotive Components comprising of Head Lamps, Halogen Bulbs and Trading. Product-wise performance is summarized below:

Particulars	2009-10	2008-09	% change
A. Head Lamps (including Reflectors, Sealed Beams, Bulb Components & other Misc. Items)			
Production (No.)	3537339	3515868	0.61
Sales (No.)	3583384	3468755	3.30
Sales (Rs. Lacs.)	5250.33	4534.75	15.78
Average price realization (Rs./Pc)	146.52	130.73	
B. Halogen Bulbs			
Production (No.)	6587879	5882270	12.00
Sales (No.)	6558480	5933813	10.53
Sales (Rs. Lacs)	1349.21	1278.15	5.56
Average price realization (Rs./Pc)	20.57	21.54	
C. Trading			
Purchase (No.)	6467957	2677854	141.54
Sales (No.)	6502145	2674910	143.08
Sales (Rs. Lacs)	2253.38	1302.68	72.98
Average price realization (Rs./pc)	34.66	46.20	
D. Others			
Sales (Rs. Lacs)	171.93	243.77	-29.47

Systems & Quality (ISO 9001, TS 16949, ISO 14001 & OHSAS 18001)

Autolite is a benchmark name in the field of System and Quality. While the other companies are working on Customer satisfaction, the aim of Autolite is to achieve Customer Delight, working beyond the customer expectations. The major achievements in the field of Quality & Systems during the year under review are as under :

- Company is working with the world wide standards for Quality Management System and Environment, Health & Safety Management Systems.
- Company is certified with ISO 9001, TS 16949, ISO 14001 & OHSAS 18001; which proves its commitment towards Quality, Environment & Society. These certifications are audited and certified by AFNOR, France.

Company is cross audited by external team for the upgraded standards and the Company is proud to say that it is certified with the latest versions of all the standards

- Company has successfully completed its surveillance audit and there is no NCR's in the scope of audit.
- Company has successfully undergone the Customer audit by M/s Tata Motors and got the approval for continuous supplies to M/s Tata Motors.
- Company has successfully undergone the customer audit by M/s. Mahindra & Mahindra and got the approval for continuous supplies to M/s Mahindra & Mahindra.
- Quality circles activities are conducted in the company and your company will participate in 23rd Quality Circle Competition organised by



CII in Jaipur in Sept'10.

- Company has revised its Company Quality Objectives with reference to new versions of ISO 9001 (i.e. 2008), TS 16949 (i.e. 2009) and OHSAS 18001 (i.e. 2007).
- Company has carried out the Mock Drill in the plant on regular intervals and installed fire hydrant system in the plant.
- Company implements the Environment Management System & Occupational Health & Safety Management System in practical aspects. Company has reviewed the organisation objectives with regard to ISO 14001 & OHSAS 18001
- Company introduced the vision to treat employees as internal customers; so activities related to Total Employee Involvement is continued. A suggestion committee is established to review and implement the suggestions.

Exports

Indian Automotive Industry is dependent upon Global economic conditions and Autolite is not an exception to it. The products manufactured by Indian Automotive Industry has high standard of Quality, cost effective, timely delivery, etc. to cater to Global demand of Automotive components.

Global recession still continues and your company has been able to maintain the Exports Turnover of Rs. 24.78Crores. The Company has the trusted customers having long business relationship which helps the company to get sustained export business..

Your company continues to have strong presence in International market through a well-knit marketing network spread across 55 Countries in Europe, North & South America, Africa and Asia Pacific Countries

Company has recently launched some New European Car Head Lamps and LED range of Work Lamps and Tail Lamps for the Exports market. It will substantially add in the growth of Exports business.

Your Company has participated in Major International Automotive shows viz. AAPEX Show at Las Vegas (USA) and Auto Expo, 2010 at New Delhi during the financial year under review. Company has received encouraging business response from various parties and Company hopes to retain market share of Business with the support of customers.

Other Global Leading Manufacturers have also shown interest in sourcing Halogen Bulbs from your Company. Your Company has installed New Manufacturing and Testing facilities at their Halogen Bulbs Plant as per Global standards. The manufacturing and quality systems have been upgraded as per the requirements of international clients. This will help in securing substantial business for the company.

Other Marketing Division

In OEM segment, your Company is a leading supplier to Commercial Vehicles Manufacturers in India. Company has been able to achieve good share of business for the products manufactured by the Company, inspite of stiff competition from Indian Automotive components manufacturers.

The Company is having nation wide network to cater Indian market having more than 500 dealers and distributors all over the country.

Internal Control System

The Company has adequate and proper system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. It also ensures that transactions are authorized, recorded and reported correctly.

The Company has a separate internal audit division headed by an experienced professional apart from a firm of Chartered Accountant entrusted with the task of conducting internal audit on regular basis. All material transactions are subject to pre-audit. All non-conformities and deficiencies are reported to the top level and also the corrective actions are taken.

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Human Resource

Autolite has introduced a Performance Appraisal System in which Management set objectives for the employee, periodically evaluate the performance, and reward according to the result. System focuses on what must be achieved (goals) rather than how it is to be achieved (methods).

Management believes in continual growth of the Employees. The organization has a vision of developing itself into a world class organization, excelling in the field of Lamps & lighting and the Company is poised to achieve this through a team of well trained, self motivated and delighted employees.

Company's HR vision is to create a highly competent, people centered and professional organization and at the same time preserving the very values of the organization such as Honesty, Integrity, Fairness, Team work and positive attitude.

Human Resource Department has a firm commitment to performance evaluation of Autolite (India) Ltd Employees, whatever their category and level, through the medium of a formalized system. The primary purpose of such evaluation is to assist Employees in their professional development and in achieving the company's goals. The procedures outlined in this document apply to every employee.

Objective of Key Result Area (KRA) are:

- Specific,
- Measurable,
- Achievable,
- Relevant, and
- Time-Specific.

It is based on the assumption that the individual (employee) knows more than anyone else about his own capabilities, needs, strengths, weaknesses and goals.

A further advantage of Appraisal is that the emphasis is on the future rather than on the past. Appraisal thus becomes a means to a constructive end.

The formal performance evaluation system is

designed to:

- A. Maintain or improve each employee's job satisfaction and morale by letting him know that the supervisor is interested in his job progress and personal development.
- B. Serve as a systematic guide for supervisors in planning each employee's further training.
- C. Assure considered opinion of an employee's performance and focus maximum attention on achievement of assigned duties.
- D. Assist in determining and recording special talents, skills, and capabilities that might otherwise not be noticed or recognized.
- E. Assist in planning personnel moves and placements that will best utilize each employee's capabilities.
- F. Provide an opportunity for each employee to discuss job problems and interests with his supervisor.
- G. Assemble substantiating data for such purposes as salary adjustments, promotions, disciplinary action, and termination.

Head of the Human Resource Department has the overall responsibility for the administration of the Performance Evaluation Program and will ensure the fairness and efficiency of its execution:

This program of performance evaluation can prove to be a valuable tool regarding individual career advancement, and result in increased productivity throughout all areas of the Company.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's expectations or predictions may be 'forward looking' within the meaning of applicable laws or regulations. Actual results may differ materially from those expressed or implied.



CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

Autolite stands committed to adopting high standards of disclosure and corporate governance and protecting rights of the stakeholders. The company also believes in conducting its business in transparent and ethical manner.

Clause 49 of the Listing Agreement stipulates norms and disclosure standards to be followed on the corporate governance by listed companies. The Board of Directors of Autolite has adequate representation of the qualified, professional, non-executive and independent directors. For speedy and efficient disposal of matters requiring special attention, Committees of Directors have been constituted. The following information constitutes compliance report of Autolite with Clause 49:

2. Board of Directors

The Board of Directors is the apex body which

monitors the overall functioning of the Company. It defines the Company's policies and oversees its implementation. The Board has constituted various committees to facilitate the decision making process in an informed and efficient manner.

During the year 2009-10, Shri Dharam Pal Gupta vacated the office of Managing Director. Shri Yash Pal Gupta, Shri Jai Pal Gupta & Shri Raj Pal Gupta also vacated the office of Whole-time Director and have also resigned from directorship. Shri Amit Mahipal Gupta and Shri Adarsh Mahipal Gupta were inducted as Whole-time Director as second generation directors during the year.

As on March 31, 2010, the Autolite Board consisted of nine Directors, three of whom including Managing Director were executive Directors. The remaining six were non-executive Directors, of whom five being independent. The Board Composition as on March 31, 2010 is given hereunder:

Board Composition

Particulars	Composition of the Board		Minimum Requirement as per Clause 49
	No. of Directors	% of Total Directors	
Non-Executive Directors	6	67	50%
Executive Directors	3	33	-
Total	9	100	-

Board Meetings

In terms of the Listing Agreement, meetings of Board of Directors are held at least four times in a year with a maximum time gap of three months between any two meetings. All information as required to be made available to the Board is provided to the members of the Board well in time for discussions in the Board Meetings for taking corrective action, if any.

During the year ended on March 31, 2010, the Board of Directors met eight times. The maximum

time gap between any two meetings was 90 days.

The details of the Board Meetings held during the year ended on March 31, 2010 are June 29, 2009, July 31, 2009, August 29, 2009, October 31, 2009, November 26, 2009, January 07, 2010, January 30, 2010 and February 27, 2010.

The composition as on date, the change during the year under review, number of meetings attended and Directorships / Committee Memberships in other companies are as follows :

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Sr. No.	Name of Director	Category	Attendance at Board & AGM		Outside Directorships & Committee Positions (as on 31.3.2010)			
			Board Meetings attended	Last AGM	Directorships		Committee Positions	
					Member	Chairman	Member	Chairman
1	Shri D. P. Gupta *	Promoter and Director	6	Yes	0	N.A.	Nil	N.A.
2	Shri Y. P. Gupta **	Promoter and Whole-time Director	2	Yes	0	N.A.	Nil	N.A.
3	Shri J. P. Gupta **	Promoter and Whole-time Director	4	Yes	0	N.A.	Nil	N.A.
4	Shri M. P. Gupta ***	Promoter and Managing Director	8	Yes	2	N.A.	Nil	N.A.
5	Shri R. P. Gupta **	Promoter and Whole-time Director	4	Yes	0	N.A.	Nil	N.A.
6	Shri S. P. Batra	Independent & Non-Executive Director	7	Yes	Nil	N.A.	1	1
7	Shri G. S. Das	Independent & Non-Executive Director	8	Yes	Nil	N.A.	3	1
8	Shri K. K. Gupta	Independent & Non-Executive Director	6	No	4	N.A.	1	Nil
9	Shri R. S. Mehta	Independent & Non-Executive Director	8	Yes	Nil	N.A.	2	1
10	Shri Snehil Kumar	Independent & Non-Executive Director	2	No	Nil	N.A.	1	Nil
11	Shri Amit Mahipal Gupta****	Promoter and Whole-time Director	3	Yes	1	N.A.	N.A.	N.A.
12	Shri Adarsh Mahipal Gupta****	Promoter and Whole-time Director	3	Yes	2	1	N.A.	N.A.



*Shri Dharam Pal Gupta had resigned from the office of Managing Director on December 31, 2009 and now he is only a non-executive director & chairman of the company.

** Shri Yash Pal Gupta, Shri Jai Pal Gupta and Shri Raj Pal Gupta had hold the office of Whole-time Director till December 31, 2009 and they have also resigned from the Board.

*** Shri Mahi Pal Gupta was appointed as Managing Director of the company w.e.f. January 7, 2010

**** Shri Amit Mahipal Gupta and Shri Adarsh Mahipal Gupta were appointed as Whole-time Directors w.e.f. January 7, 2010 and further they were present in the capacity of shareholders in the 32nd Annual General Meeting.

Alternate directorship, directorship in private limited companies are included

Only membership in Audit Committee, Remuneration Committee and Shareholders Grievance Committee included

None of the director on the Board is member on more than 10 Committees or Chairman of more than 5 committees across the companies in which he is a director. All the directors have made requisite disclosure regarding directorship/ Committee position occupied by them in other companies.

Code of Conduct:

The Company has laid down a "Autolite - Code of Conduct" for the members of the Board of Directors and the Senior Management. All the Board members and Senior Management personnel have affirmed compliance with the code for the year 2009-2010. A declaration to this effect signed by the CEO is given in this report. Annual affirmation of compliance with the Code have been made by the directors and senior management of the Company. The CEO & CFO have certified to

the Board with reference to the Financial Statement and other matters as required in Clause 49 of the Listing Agreement.

Prohibition of Insider Trading Policy:

The Company has in place the Code of Conduct for Prevention of Insider Trading to comply with relevant regulations laid down by SEBI. Accordingly the Company announces closure of Trading Windows, free period, declaration of prohibited period etc. The Company has designed a reporting system to prevent insider trading by designated employees and takes quarterly and annual disclosure from the designated employees as mentioned in the Insider Trading Policy.

Appointment/Re-appointment of Directors

The Directors who retire by rotation and who are eligible for re-appointment or newly appointed are:

i) Shri Gauri Shankar Das (Director)

Shri Gauri Shankar Das, aged 71 years, is an M.Sc. & CAIIB had a brilliant academic record through out. Having joined as a Probationary Officer in 1963, he held senior management positions in nationalized banks till his retirement as General Manager (Operations) of State Bank of Bikaner & Jaipur . He has rich and vast experience of over 35 years in the areas of Credit, Financial Management, Behavioral Output, General Administration, Advanced Management Techniques etc.. He was also deputed for training outside the country on a number of occasions under the aegis of Asian Development Bank, World Bank etc. He was also a Nominee Director of SBBJ on the Boards of NITCON & RAJCON and also a member representing the coordinating Bank i.e. SBBJ on the Board of Banking Service Recruitment Board, Jaipur. He is a member of the Audit Committee, Remuneration Committee and Investors Grievance Committee of the Board

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of Directors of the company.

ii) Shri Snehil Kumar

Shri Snehil Kumar is a TQM counselor based in Jaipur. He is an engineer with over 10 years of experience as practicing manager in Tata Steel and 13 years of counseling with organizations as part of CII and as an independent counselor. He has counseled over 100 companies to steer them towards organizational excellence including Deming award winning organizations. He is a JIPM TPM trained consultant, trained in TQM from Japanese Union of Scientists and Engineers (JUSE). He has been trained in TOC by Goldratt Institute. He worked as TQM counselor with TQM Division of CII and as TPM counselor with TPM club of India for a span of seven years. His field of activities includes counseling on creating Daily Management infrastructure and assist implementation of Lean and TPM principles in the organizations. He has been assisting companies on their Deming Journey.

He has also been actively involved in working with governmental organizations for improving services. He is a visiting faculty at Lal Bahadur Shastri National Academy of administration, Mussorie. He is recipient of LEAD fellowship for the year 2008-09.

He has co founded a counseling network called "Partners-in-change" to provide hands on assistance to companies on their turnaround initiatives. He is president of "EKJUT", an NGO providing social health services in districts of Jharkhand and Orissa. He is a member of Remuneration Committee of the Board of Directors.

iii) Shri R.S. Mehta

Shri Rajendra Singh Mehta, an M.B.A. from the Indian Institute of Management,

Ahmedabad, also has Post Graduate Diploma in Foreign Trade. He was awarded Tata Exports Merit Scholarship also. He has undertaken numerous studies in the area of HRD and other organizational studies in the corporate sector and participated in numerous Management Development Programmes/seminars & conferences at national & international levels.

Shri Rajendra Singh Mehta has over 43 years of work experience in reputed organizations in senior managerial positions, the last one being the Vice President (HR) with Aditya Birla Group. His areas of specialization include HRD (with special emphasis on Training and Development), Personnel Management, Industrial Relations, General Administration etc.. He is a member of Investors Grievance Committee and Remuneration Committee

iv) Shri Mahi Pal Gupta (Managing Director)

Shri Mahi Pal Gupta is Diploma in Mechanical Engineering and is the main Promoter of the company. He Founded proprietorship Concern M/s. Autolite of India which grew up to the current level of M/s. Autolite (India) Limited. He has rich and vast experience of over 40 years especially in the areas of Product Development, R & D, Value Engineering, Finance & Administration etc. Under his guidance, the company developed High Intensity Forward Discharge Lamp especially for the US market and more than 120 other types of Head Lamps. He has also been instrumental in setting up an in-house R & D center equipped with some of the most sophisticated and advance equipments. He has also participated in a number of Trade Fairs and visited all major markets world over. Shri Mahipal Gupta is a senior member of Association of Electronics Manufacturing, Machining Technology Association, Forming Technology Association, Finishing Processes, Computer and Automated Systems Association of SME, USA, a member of ASM International,



USA, IESNA, USA and the US National Committee of the IEC.

He himself has Developed First time in India the high energy saving Compact Fluorescent lamps (CFL), Halogen Bulbs, Electronic Transformers, Ballasts, Fixtures, HID Lamps & Special Purpose Machines. Under his guidance three public issues & numerous rights & preferential issues have taken place. 3 companies of the Group are listed in all major stock exchanges in India. He has vast experience in financial sector and has great relations at senior levels in all banks and FI's. Mr. Gupta has great administration capabilities and is a amazing motivator. His HR skills & leadership qualities are respected by all the employees and stakeholders. He is trained for Lean Six Sigma & World Class Manufacturing Practices and is the main guiding force behind these activities in the group.

Mr. Gupta commands high respect from all the customers and Suppliers and has great relationships with them. He is well regarded as the "Face of Autopal Group".

v) Mr. Amit Mahipal Gupta (Whole-time Director)

Mr. Amit Mahipal Gupta aged 35 years holds a Bachelor's Degree in Engineering from MIT, Aurangabad & is the brainchild for technology in the group. He has vast experience in Product Development, CAD/CAM/CAE. He has been trained in CAD/CAM from Autodesk (USA) & PTC (USA). He has also been trained for Labview Automation, PLC Controllers, Robotics & Vision Systems by National Instruments (USA). Under his leadership many new products got unfolded in Autopal Group. He has extensively travelled World over for Technology, Market Surveys and Plant Visits. He has deep knowledge of the lighting source & fixtures & has been instrumental force behind Development of Metal Halide Lamps, New

Generation Halogen Bulbs, Special Purpose Machines & Multi Surface Reflector Lamps. He has one patent registered under his name for Head Light Levelling. He is also Managing Director of the Software Development Company M/s. Palsoft Infosystems Limited. He has 10 years experience in Manufacturing & Exports of Automotive Head Lamps, Halogen Bulbs & Compact Fluorescent Lamps. He is trained for Lean Six Sigma & World Class Manufacturing Practices by Confederation of Indian Industry (CII) & Automotive Components Manufacturing Association (ACMA). He plays a instrumental part in strategy preparation for the group. Currently his responsibilities include Manufacturing of Halogen Lamps, Compact Fluorescent Lamps, Special Purpose machines (CNC) & Also Product development and technical issues of entire Autopal Group. He is also responsible for International Sourcing initiatives.

vi) Mr. Adarsh Mahipal Gupta (Whole-time Director)

Mr. Adarsh Mahipal Gupta aged 30 years holds a Bachelor's Degree in Commerce from University of Rajasthan & Post Graduate Diploma in Business Administration from NMIMS, Mumbai. Since his College time he is actively involved in Family Business wherein with his brother he started Software Development business M/s. Palsoft Infosystems Limited & Trading of Auto components under the main company M/s. Autolite (India) Limited. He has 8 years experience in Manufacturing & Exports of Automotive Components. He has two patents registered under his name for Halogen Bulb Manufacturing. Mr Gupta is also the Co-Convenor of the Panel on Economic Affairs & SME's & is also State Council Member at Confederation of Indian Industry (CII) Rajasthan. He has extensively travelled World

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over for Technology, Market Surveys, Customer Visits and Plant Visits. He has taken parts in all major automotive & Technology fairs across the globe. Being the founder member of the Young Business Leaders Forum (YBLF) a wing of Automotive Components Manufacturing Association (ACMA) he is well known & respected within Indian Automotive Component Industry. He is trained for Lean Six Sigma & World Class Manufacturing Practices by CII & ACMA. He was instrumental in financial turnaround & re-engineering of the group by restructuring of Banks & FII's. Mr. Gupta is also Promoter & Managing Director of Autolite Manufacturing Limited, Having Manufacturing Facilities at Pantnagar for Automotive Lighting. He has setup the plant since inception & is fully responsible for all activities of this Company

including Marketing till date. He is also responsible for Corporate Finance, Legal, Excise & Strategy Formulation of the Group. He has good relations with Export Market Customers as he attends all major trade fairs on behalf of the company and also has good personal rapport with senior executives of leading Banks, FI's & Broking Houses.

3. Audit Committee

The Audit Committee of the Company is constituted in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The requisite details are as follows:

Name	Terms of reference
Shri S.P. Batra (Chairman)	<ul style="list-style-type: none"> - Oversight of financial reporting system of the company; - Recommending appointment/removal of auditors, fixing the fee & approval of payment for other services - Reviewing with management annual financial statements before submission to the board including qualifications in draft auditors' report; - Reviewing with management, external & internal auditors the adequacy of internal control system; - Reviewing the adequacy of internal audit function; - Reviewing findings of any internal investigations into suspected fraud, irregularity or failure of internal control system. - Other items as per Clause 49 of Listing Agreement, as amended from time to time.
Shri G.S. Das (Member)	
Shri K.K. Gupta (Member)	
Shri Vishal Agarwal (Secretary)	

Four meetings of the Audit Committee took place during the accounting year ended on March 31, 2010, i.e. on June 29, 2009, July 31, 2009, October 31, 2009 and January 30, 2010. All the three members were present at the meetings held on the abovementioned dates. The Statutory Auditors and Internal Auditors were invited to attend and participate at the meetings of the Committee.

The Audit Committee meetings are attended by invitation by the Chief Executive Officer, Chief Financial Officer and representatives of

the Statutory Auditors and internal auditors of the Company.

The role of the Audit Committee is to monitor and provide effective supervision of the Company's financial reporting process with a view to ensure that the financial statements are accurate, sufficient and credible.

The Company is having 100% subsidiary company incorporated in United States of America viz. Autopal Inc.

A statement in summary form of transactions



alongwith details of material transactions with related parties were placed before the Audit Committee at regular intervals.

The Company affirms that it had adopted Whistle blower Policy and further that no personnel has been denied access to the audit committee.

4. Remuneration Committee

The Company has already constituted Remuneration Committee. The broad terms of reference of the Remuneration Committee are as follows:

- a. Recommend to the Board remuneration to be paid to the Managing Director and Whole-time Directors.
- b. To review and grant annual increments to Managing Director and Whole-time Directors.
- c. To suitably suggest changes based on changes in Schedule XIII of the Companies Act, 1956 and/ or any amendment/modifications that may be made by the Central Government from time to time.
- d. To do all such acts, deeds, things and execute all such documents, instruments and writings as may be considered necessary, expedient or desirable on the subject.

The remuneration policy of the Company is to remain competitive in the industry and to attract and retain talent and appropriately reward them on their contribution. The annual package of employees is decided on the basis of performance of the Company and also the individual performance measured against the Key performance Indicators, which are in align to the Company's overall objectives.

Remuneration Committee comprises of the following directors :

Name of Members	Designation	Category
Shri R.S. Mehta	Chairman	Independent, Non-Executive
Shri G.S. Das	Member	Independent, Non-Executive
Shri Snehil Kumar	Member	Independent, Non-Executive

Shri Vishal Agarwal, Company Secretary is acting as Secretary of the Committee. One meeting of Remuneration committee was held on January 7, 2010. Shri R.S. Mehta and Shri G.S. Das attended the meeting of remuneration committee.

The details of remuneration paid to the Directors in the whole-time employment with the company during the financial year ended on March 31, 2010 are given hereunder :

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(Rs. in Lacs)

Particulars	D. P. Gupta	Y. P. Gupta	J. P. Gupta	M. P. Gupta	R. P. Gupta	Amit M. Gupta	Adarsh M. Gupta
	Whole-time Directors						
Salary	5.40	5.40	5.40	7.20	5.40	0.00	0.00
Benefits:							
Allowances & Perquisites	2.80	2.32	2.61	4.08	2.31	0.00	0.00
Bonus	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pension	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed Component Contribution to PF, Superannuation & Gratuity Fund	0.07	0.07	0.07	0.09	0.07	0.00	0.00
Performance linked Incentive	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Service Agreement	5 years	5 years	5 years	3 years	5 years	3 years	3 years
Notice Period	1 month	1 month	1 month	1 month	1 month	1 month	1 mont
Severance Fee	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stock Option	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The Company has not paid any remuneration to non-executive Directors during the year 2009-10 except sitting fee, the details are as under :-

Sl. No.	Name of Directors	Sitting Fee Paid
1.	Shri Suraj Prakash Batra	Rs. 20,000/-
2.	Shri Gauri Shankar Das	Rs. 30,000/-
3.	Shri Rajendra Singh Mehta	Rs. 22,000/-
4.	Shri Kuldeep Kumar Gupta	Rs. 20,000/-
5.	Shri Snehil Kumar	Rs. 4,000/-

Details of the number of shares held by all the non-executive directors of the Company :-

S No.	Name of the Director	No. of equity shares held (As on March 31, 2010)
1.	Shri Suraj Prakash Batra	Nil
2.	Shri Gauri Shankar Das	Nil
3.	Shri Rajendra Singh Mehta	Nil
4.	Shri K.K. Gupta	Nil
5.	Shri Snehil Kumar	Nil
6.	Shri Dharam Pal Gupta	Nil

No convertible instruments/employee stock options have been granted by the Company to the non-executive directors of the Company.



5. Shareholders' Grievance Committee/ Share Transfer Committee

The Company has set up an Investors' Grievance Committee to look into the complaints relating to non-receipt of dividend warrants, annual report, transfer/transmission of shares etc. as required in terms of Clause 49 of the Listing Agreement. The details of members of the Committee as well as status of investor complaints received during the year ended on March 31, 2010 are as follows :

Name of Members	Pending at the beginning of the year	No. of complaints		Pending at the end of the year
		Received	Resolved	
Shri G.S. Das (Chairman) Shri R. S. Mehta (Member) Shri Vishal Agarwal (Secretary & Compliance Officer; Ex-officio)	0	10	10	Nil

The members of Investors' Grievance Committee met four times during the year ended on March 31, 2010. The meetings were held on June 29, 2009, July 31, 2009, October 31, 2009 and January 30, 2010.

The Company is having Share Transfer Committee comprising of Shri M P Gupta, Whole time Director and Shri Vishal Agarwal, Company Secretary of the Company to give effect to share transfer, transmission, etc.

6. General Body Meetings

Annual General Meetings

a. Location, time and date where last three Annual General Meetings were held are given below:

Year	Location	Date	Time
2006-07	D-469, Road No.9A, Vishwakarma Industrial Area, Jaipur - 302013	September 29, 2007	4.00 P.M.
2007-08	D-469, Road No.9A, Vishwakarma Industrial Area, Jaipur - 302013	September 30, 2008	4.00 P.M.
2008-09	D-469, Road No.9A, Vishwakarma Industrial Area, Jaipur - 302013	September 30, 2009	4.00 P.M.

No Extra-ordinary General Meeting of shareholders was held during the year.

No Postal Ballot was conducted during the year. None of the resolutions proposed for the ensuing Annual General Meeting need to be passed by Postal Ballot.

Autolite (India) Limited

b. The following Special Resolutions were passed at the previous three Annual General Meetings:

1. AGM held on September 30, 2009 :-

Authorising Board of Directors to apply for delisting of shares of the company from any one or more of the 2 stock exchanges ;

2. AGM held on September 30, 2008 :-

(i) Authorising Board of Directors to apply for delisting of shares of the company from any one or more of the 2 stock exchanges;

(ii) Increase in total monthly remuneration of Shri Anup Gupta, Chief Executive -Exports;

(iii) Increase in total monthly remuneration of Shri Kapil Gupta, Chief Executive- OEM;

(iv) Increase in total monthly remuneration of Shri Amit Mahipal Gupta, Chief Executive Officer- R & D; and

(v) Increase in total monthly remuneration of Shri Adarsh Mahipal Gupta, Chief Executive- Finance.

3. AGM held on September 29, 2007 :-

(i) Authorising Board of Directors to apply for delisting of shares of the company from any one or more of the 3 stock exchanges;

(ii) Reappointment of Shri Dharam Pal Gupta, Managing Director of the company for a further period of 5 years w.e.f. January 7, 2007;

(iii) Reappointment of Shri Yash Pal Gupta, Whole-Time Director of the company for a further

period of 5 years w.e.f. January 7, 2007;

(iv) Reappointment of Shri Jai Pal Gupta, Whole-Time Director of the company for a further period of 5 years w.e.f. January 7, 2007;

(v) Reappointment of Shri Mahi Pal Gupta, Whole-Time Director of the company for a further period of 5 years w.e.f. January 7, 2007;

(vi) Reappointment of Shri Raj Pal Gupta, Whole-Time Director of the company for a further period of 5 years w.e.f. January 7, 2007;

(vii) Increase in total monthly remuneration of Shri Amit Mahipal Gupta, Chief Executive- R& D;

(viii) Increase in total monthly remuneration of Shri Adarsh Mahipal Gupta, Chief Executive- Finance;

(ix) Increase in total monthly remuneration of Shri Kapil Gupta, Chief Executive- OEM; and

(x) Increase in total monthly remuneration of Shri Anup Gupta, Chief Executive- Exports.

The Special resolutions moved at all the above meetings were past on a show of hands by the shareholders present at the meeting and not by postal ballot. No special resolution is proposed to be conducted by postal ballot.

c. Management Discussion & Analysis Report

The Management Discussion & Analysis Report for the year ended March 2010 is published separately in this Report.

d. Other Disclosures

There are no related party transactions of the Company of material nature with its Promoters, the Directors or the management,



their subsidiaries etc. that may have potential conflict with the interests of Company at large.

There has been delay on the part of the Company in paying annual listing fee to Stock Exchanges where securities of the Company are listed. The Company will pay the Listing Fee to Jaipur and Madras Stock Exchange at the time of delisting from these stock exchanges.

e. Means of Communication

(i) Financial Results and Notices:

The quarterly unaudited results of the Company are announced within a month of the end of respective quarter and the audited financial results are announced within two months from end of financial year. The results are published in The Financial Express (English) and Sandhya Jyoti (Hindi). The financial results are displayed on the Company's website - www.autopal.com.

The Company publishes notice of Annual General Meeting in one English Newspaper and one Hindi Newspaper. It also publishes record date and book closure dates in the said newspaper circulating in the city.

(ii) News Releases :

The Company issues news releases on significant corporate decisions/ activities.

(iii) Annual Report :

The Annual Report is circulated to the members. The Management Discussion and Analysis Report and Corporate Governance

Report form part of the Annual Report.

(iv) Corporate Filings with Stock Exchanges :

The Company is regular in filing of various reports, certificates, intimations, etc to the Stock Exchanges. This includes filing of audited and unaudited results, shareholding pattern, Corporate Governance Report, Secretarial Audit Report, Compliance Certificate, intimation of Board Meeting/ general meeting and its proceedings.

(v) Investor Service :

The Company has appointed MCS Limited as a Registrar and Transfer Agent who are also authorized to take care of investors' complaints. The secretarial department also assists in resolving various investor complaints. The Company has created a separate e-mail id investors@autopal.com exclusively for the investors to communicate their grievances to the Company.

f. General Shareholders' information

(i) Annual General Meeting

Date and Time : September 28, 2010 at 11:00 a.m.
Venue : E-526-530, RIICO Ind. Area
Sitapura, Jaipur

(ii) Financial Year:

The Company follows April - March as its financial year. The results for every quarter beginning from April will be declared within the time period prescribed under the Listing Agreement.

Autolite (India) Limited

(iii) Financial Calendar for the year 2010-11 (Tentative) :

Sl. No.	Activity	Time schedule
1	Results for the first quarter ending June 30, 2010	By mid of August' 10
2	Results for the second quarter ending September 30, 2010	By mid of November' 10
3	Results for the third quarter ending December 31, 2010	By mid of February' 11
4	Audited Results for the fourth quarter ending March 31, 2011	By end of May' 11

(iv) Book Closure Date :

September 22, 2010 to September 28, 2010 (both days inclusive)

(v) Dividend Disclosure :

The Directors have not recommended any dividend for the year ended on March 31, 2010.

(vi) Listing on Stock Exchanges :

Company's equity shares are listed on the Stock Exchanges as detailed below:

Sl. No.	Name of Stock Exchange	Address	Listing fee Paid up to	Stock Code
1	Jaipur Stock Exchange Ltd.	Stock Exchange Building JLN Marg, Malviya Nagar, Jaipur-302017	2004-05	15
2	Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400023	2010-11	500029
3	National Stock Exchange of India Ltd.	"Exchange Plaza", Bandra Kurla Complex, Bandra (East), Mumbai-400051	2010-11	AUTOLITIND
4	Delhi Stock Exchange Ltd.	DSE House, 3-1, Asaf Ali Road New Delhi-110002	2009-10	101023
5	Madras Stock Exchange Ltd.	Stock Exchange Building, 11, Second Line Beach Post Box No. 183, Chennai-600001	2006-07	ATT

(vii) Stock Code/Symbol

BSE : 500029

NSE : AUTOLITIND



(viii) Market Price Data

Month	Autolite at BSE		BSE Sensex		Autolite at NSE		NIFTY	
	High	Low	High	Low	High	Low	High	Low
April-09	26.75	19.00	11492.10	9546.29	27.50	17.70	3517.25	2965.70
May-09	30.15	16.20	14930.54	11621.30	31.25	16.90	4509.40	3478.70
June-09	30.75	20.70	15600.30	14016.95	31.00	20.25	4693.20	4143.25
July-09	30.20	19.00	15732.81	13219.99	29.95	17.80	4669.75	3918.75
August-09	40.10	28.25	16002.46	14684.45	39.75	29.00	4743.75	4353.45
September-09	34.00	29.80	17142.52	15356.72	34.70	29.25	5087.60	4576.60
October-09	35.55	27.10	17493.17	15805.20	33.50	27.60	5181.95	4687.50
November-09	32.25	24.25	17290.48	15330.56	31.80	24.00	5138.00	4538.50
December-09	31.40	27.25	17530.94	16577.78	32.00	26.00	5221.85	4943.95
January-10	44.50	31.00	17790.33	15982.08	46.85	32.15	5310.85	4766.00
February-10	36.55	30.20	16669.25	15651.99	37.65	30.00	4992.00	4675.40
March-10	38.50	29.00	17793.01	16438.45	38.25	28.60	5229.55	4935.35

(ix) Share Transfer System, Registrars and Transfer Agents

For all matters relating to securities in dematerialized as well as physical form, the Company has appointed Registrar & Share Transfer Agent, as detailed hereunder:

M/s MCS Limited

F – 65, Okhla Industrial Area Phase I, New Delhi –110 020

All requests for transfer/transmission of securities in physical form as well as requests for dematerialisation/re-materialisation are processed normally within a period of 3 to 4 weeks if the documents are complete in all respects.

Autolite (India) Limited

(x) Distribution of Shareholding as on March 31, 2010 :

Category	Total No. of		Percentage of	
	Shares	Shareholders	Shares	Shareholders
1-500	11,21,349	7,871	11.86%	90.02%
501-1000	3,55,752	439	3.76%	1.95%
1001-2000	2,61,777	171	2.77%	1.95%
2001-3000	1,95,855	76	2.07%	0.87%
3001-4000	1,45,982	42	1.54%	0.48%
4001-5000	1,54,736	33	1.64%	0.38%
5001-10000	3,67,352	47	3.89%	0.54%
10001 & above	68,53,438	65	72.47%	0.74%
Total	94,56,241	8744	100.00%	100.00%

(xi) SHAREHOLDING PATTERN AS ON MARCH 31, 2010 :

Category	No. of shares	No. of Shares held in Demat form	Percentage
Promoter & Promoter Group			
Indian Promoters	41,91,524	21,77,559	44.33 %
Foreign Promoters	0	0	0.00 %
Institutions			
Mutual Funds & UTI	16,914	264	0.18 %
Financial Institutions/Banks	17,700	17,150	0.19 %
Central Govt/State Govt(s)	100	100	0.00 %
Foreign Institutional Investors	2,73,306	2,63,186	2.89 %
Non-Institutions			
Private Corporate Bodies	9,83,303	9,72,550	10.40 %
Indian Public	37,02,778	31,55,613	39.16 %
Any other			
Clearing Members	46,168	46,168	0.49 %
NRI/OCB	14,960	14,610	0.16 %
Trust & Foundation	2,09,488	2,09,488	2.22 %
Grand Total	94,56,241	68,56,688	100.00%



(xii) Dematerialisation of Shares

Particulars	As on 31-03-2010	%
No. of shares held in dematerialized form in NSDL	34,01,323	35.97
No. of shares held in dematerialized form in CDSL	12,75,365	13.49
Physical form	25,99,553	27.49
Shares issued in demat form but pending listing	21,80,000	23.05

(xiii) Outstanding GDRs/ADRs etc.

Company has not issued any GDRs/ADRs nor are any Warrants or convertible instruments outstanding as on date.

(xiv) Address of Registered Office, Head Lamp Unit & Shares Department

D-469, Road No. 9-A
Vishwakarma Industrial Area
Jaipur-302013

Halogen Lamp Unit (100% EOU)
E-526 to 530, RIICO Industrial Area, Tonk Road
Sitapura, Jaipur (Rajasthan)

Machine Building Division
Parvati Nagar, Badarwas,
Jaipur

Autolite (India) Limited

Certificate of Compliance of Code of Conduct for Board of Directors and Sr. Management Personnel

I, Mahi Pal Gupta, Managing Director of the Company hereby certify that the Board of Directors and the Sr. Management Personnel have affirmed the compliance of the Code of Conduct of the Company for the financial year 2009-10.

Place : Jaipur
Dated : 14.08.2010

Sd/-
(MAHI PAL GUPTA)
Chief Executive Officer

CEO/CFO Certification under Clause 49(V) of the Listing Agreement (Corporate Governance Guidelines) to be placed before the Board along with the Audited Annual Accounts

To,
The Board of Directors,
Autolite (India) Limited, Jaipur

This is to certify that:

- a. We have reviewed Financial Statement and Cash Flow Statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. there are to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee
 - (i) significant changes in internal control during the year.
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

Sd/-
(M. P. Gupta)
Managing Director

Sd/-
(Adarsh Mahipal Gupta)
Whole-time Director

Sd/-
(Vishal Agarwal)
Company Secretary



COMPLIANCE CERTIFICATE

To the members of Autolite (India) Limited

We have examined the compliance of the conditions of corporate governance by Autolite (India) Limited for the financial year ended March 31, 2010 as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances as on March 31, 2010 was pending against the company for a period exceeding one month as per the records maintained by the Shareholders'/ Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For H.C. GARG & CO.
CHARTERED ACCOUNTANTS
FRN-000152C
Sd/-
(MADHUKAR GARG)
PROPRIETOR
M. NO. 70162**

**Place : Jaipur
Dated : 14.08.2010**

Autolite (India) Limited

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their 33rd Annual Report and audited accounts for the financial year ended on March 31, 2010.

FINANCIAL RESULTS

(Rs. in Lacs)

Particulars	2009-10	2008-09
Net Sales including Excise Duty	9558.16	8031.55
Total Expenses other than Interest, Depreciation & Tax	8836.33	7226.75
Profit Before Interest, Depreciation & Tax (PBIDT)	721.83	804.80
Financial Expenses	272.26	323.82
Cash Profit/(Loss)	449.57	480.95
Depreciation & Misc. expenses written off	394.85	422.63
Net Profit/(Loss) before Tax and Extra-ordinary items	54.72	58.35
Provision for Tax	0.00	20.00
Extra-ordinary Gains/(Expenses)	(151.12)	(51.12)
Provisions of earlier years written back	26.98	26.63
Profit/(Loss) after Extra-Ordinary items	(69.42)	13.63
Profit/(Loss) brought forward from previous year	(2869.69)	(2883.55)
Surplus/(deficit) carried to Balance-sheet	(2939.11)	(2869.69)

OPERATIONS

During the financial year ended on March 31, 2010, your company achieved gross sales turnover of Rs. 9558.16 Lacs as against Rs. 8031.55 Lacs during the corresponding financial year ended on March 31, 2009 thus registering a growth of 19%. Company had net gain before extra-ordinary items of Rs. 54.72 Lacs as compared to Net gain of Rs. 58.35 Lacs in 2008-09. The drop in profit margins was on account of increase in raw material prices and other inputs. The company has made significant growth in domestic sales segment and it contributed 74.14% in 2009-10 as compared to 68.89% in 2008-09. The Company achieved export sales of Rs. 2478.28 Lacs during the year 2009-10 as against Rs. 2540.89 Lacs in 2008-09.

The Company suffered loss when its plant which is situated at Sitapura was shut down for a period of more than a month on account of Fire Disaster occurred at Indian Oil Corporation Depots. The property of the company situated at Sitapura was affected on account of fire disaster and Company is pursuing the insurance company for the settlement of the claim. Also, the impact of downward trend of foreign currency on export earnings cannot be ruled out for the less profits.

SECURED LOANS

The Company had repaid the due amount of Term Loan taken from Rajasthan Financial Corporation during the year under review.



DIVIDEND

The directors do not recommend any dividend for the year under review

AUDITORS

The Auditors of the company M/s H.C. Garg & Co., Chartered Accountants, bearing FRN - 000152C, Jaipur, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The proposed re-appointment, if made, will be in accordance with sub-section (1B) of Section 224 of the Companies Act, 1956, as per the certificate furnished by the auditors of the Company.

AUDITORS' QUALIFICATIONS

1. The Company Law Board has passed an order on December 06, 2001 allowing repayment of overdue public deposits over a period of four years commencing from the year 2002. The company had already made an application to Company Law Board for extension of repayment of fixed deposits.
2. There has been slight delay in depositing TDS, PF and ESI dues with the appropriate authorities during the period under review, due to ongoing liquidity crunch.
3. Company has not debited any interest in respect of advance against supplies/loans and advances since the companies under reference have become sick. The outstanding is planned to be recovered in a phased manner by getting job work done through them.
4. Directors' disqualification under Section 274(1)(g) has arisen due to non-payment of Fixed Deposits and Interest on Public Fixed Deposits by the company on account of the prevailing cash crunch. We would like to state further that as per provisions of section 274(1)(g) of the Companies Act, 1956, if the company is in default of repayment of deposit and interest, the directors of that company shall

not be eligible to be appointed as directors in any other public limited company. Therefore the said default in repayment of deposit in this Company does not result in disqualification on directors on being continue to serve the Board of this Company.

5. In spite of difficulty in administrative function, the Company is putting efforts to get the confirmation of balances of Sundry Debtors, Suppliers and Loans & Advances.
6. Due to frequent movement of Dies & Tools from one shop to another, maintenance of fixed assets register was not practical in the past. Stock Register for the same is being maintained nevertheless. The company has now streamlined the system and necessary details have been recorded since FY 1998-99.
7. The company had made part payment as advance against supply of capital goods and expenses and the balance amount was to be paid against the delivery of equipments/machines. Due to financial crisis, the company could not take delivery of the same and hence the advance paid earlier could not be adjusted so far. The Management is optimistic about getting the recovery of the said loans and advances and therefore the provision for Irrecoverable/ Doubtful Loans and Advances has not been made.
8. Auditor's Observation about secured/unsecured loans and advances given/ taken to/ from parties covered u/s 301 of the Companies Act, 1956, your Directors feels that this forms part of financial engineering and a proper course of action shall be taken in due course of time.
9. Regarding the observations made by Auditors for about not following Accounting Standards AS-9 (Revenue Recognition) and AS-22 (Accounting for Taxes on Income) we would like to comment that the Management is of the view that as there is no convincing evidence to support that the sufficient future taxable income/losses will be available against which the deferred tax asset/ liabilities can be realized.

Autolite (India) Limited

10. The claim about Export Incentive has been rejected for non submission of necessary information/ documents. The Company is in process of compilation of necessary information/ documents

Moreover, the relevant notes on accounts are self-explanatory and therefore, do not call for any further clarification.

DIRECTORS

During the year under review, Shri Dharam Pal Gupta resigned from the office of Managing Director of the Company. However, he continued to be on the Board of Directors as Non-Executive Director & Chairman of the Company. Shri Yash Pal Gupta, Shri Jai Pal Gupta and Shri Raj Pal Gupta ceased to be Whole-time Director and also as directors on the Board of Directors of the Company during the year 2009-10.

The Board took note of valuable contributions made by Shri Dharam Pal Gupta, Shri Yash Pal Gupta, Shri Jai Pal Gupta and Shri Raj Pal Gupta during their tenure of directorship in the company.

Shri Mahi Pal Gupta was appointed as Managing Director of the company w.e.f. January 7, 2010 for a period of five years. Shri Amit Mahipal Gupta and Shri Adarsh Mahipal Gupta were appointed as Whole-time Director w.e.f. January 7, 2010 for a period of five years in the company.

Shri Gauri Shankar Das, Shri Snehil Kumar and Shri Rajendra Singh Mehta, Director of the company retire by rotation and being eligible, offer themselves for re-appointment. Their brief resume is given in the report on Corporate Governance forming part of this annual report.

CORPORATE GOVERNANCE

A report on Corporate Governance along with a certificate from the auditors of your company regarding compliance of conditions of Corporate Governance is annexed and forms part of this annual report. As on date, the company has complied with all provisions pertaining to Clause 49 of the Listing

Agreement with the Stock Exchanges in this regard.

PUBLIC DEPOSITS

Your Company did not accept any fixed deposits from general public during the period under review. Regarding the overdue deposits, the Company Law Board passed an order on December 06, 2001 directing the company to repay the outstanding deposits in four years starting FY 2002-03. The above order had been expired for which the Company had already applied to Company Law Board seeking extension in repayment of outstanding fixed deposits along with interest.

The Company had repaid the fixed deposits to the extent of Rs. 7.85 Lacs during the year under review and your directors will repay the entire fixed deposits in near future

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company at the end of the financial year and of the profit of your company for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a going concern basis.

SUBSIDIARY COMPANY

Financial Statements and other documents of



the subsidiary company viz. Autopal Inc. are annexed pursuant to the provisions of Section 212 of the Companies Act, 1956.

TECHNOLOGY, ENERGY, FOREIGN EXCHANGE ETC.

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report.

PERSONNEL

Industrial relations during the year under review remained cordial in all divisions of the company.

None of the employees falls under the purview of section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT

Your Directors acknowledge with deep sense of gratitude the co-operation extended and guidance provided by the Financial Institutions, Banks, Government Departments and Local Authorities and look forward to their continued support. Your Directors are also grateful to the customers, suppliers and business associates of your company for their trust and support. Also, your Directors would like to appreciate the commitment, dedication and hard work put in by every employee of your company. Last but not the least, your Directors are deeply grateful for the confidence and faith shown by the members of the company in them.

For and on behalf of the Board of Directors

Sd/-

(M.P. Gupta)

Managing Director

Place : Jaipur

Date : 14.08.2010

Annexure – I to DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

The company has taken adequate measures for proper control on fuel consumption in the manufacturing process. As the company does not come under the power intensive industry category, the details of power and fuel consumption are not given.

B. (I) RESEARCH AND DEVELOPMENT

1. Specific areas in which R&D carried out by the Company.

- a) Development of latest composite modules of headlamps incorporating projector lamps and multi surface technology reflectors.
- b) Development of projector fog and low beam headlamps.
- c) High intensity discharging and worklamp for use in construction, mining and general lighting purpose.
- d) Development of various LED modules for use in future signaling lamps for automobiles and for road safety use.
- e) Development of special purpose machines (SPM's) to support online assemblies and testing of operations.
- f) Development of series of headlamps in aluminum die-casted and thermoset plastic reflectors in ellipsoidal and parabolic technology.

2. Benefits Derived as a result of above R&D

- a) to meet customer demand and expectation of new premium products.
- b) To increase overall growth of the Company.
- c) To have a competitive edge and supremacy.
- d) To improve the bottom line.

Autolite (India) Limited

3. Future Plan of Action

- a) Development of composite headlamps for export market and domestic market.
- b) Development of new vehicle headlamps, that is under development right from beginning.
- c) Development of signaling lamps for all Indian vehicles.
- d) Development of motorcycle and tractor headlamps.
- e) Development of worklamp for international market to be used in construction, mining, agriculture equipment
- f) Development of lamps for use in medical use, space use, etc.
- g) Development of value added and stylish headlamps for Indian and European vehicles.
- h) More thrust on modules with Generation III leveling for projector lamps.
- i) Development of LED headlamps.

4. Expenditure on R & D

(Rs. in Lacs)

(a) Capital	0.00
(b) Recurring	42.97
(c) Total	42.97
(d) Total R & D expenditure as a % age of total turnover	0.45%

B (II) Technology absorption, adaptation & innovation

1. Efforts in brief, made towards technology absorption, adaptation and innovation

- a) Introduction of BMC injection moulding machine in-house for better quality of product, low cost and further development of new products;
- b) Dust-proof & pressurized environment in workshops and paint shops to improve quality and reduce rejections;
- c) Use of SPMs in assembly for automation and quality improvement of products;
- d) Side fitment dip pattern headlamps development.

- e) LED technology for use in Automotive headlamps, signal lamps and for work lamps.
- f) High intensity discharge technology adoption in automotive lighting and general purpose lighting.

2. Benefit derived as result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

- a) To make world class plant at par with international standards.
- b) Customer will be satisfied
- c) Improvement of quality of products
- d) Life of product will be increased
- e) Competitive edge over competitors.
- f) Increase in exports / domestic OE business sales revenue.
- g) Cost reduction by way of material substitution
- h) Increase in Company's brand value.
- i) New business opportunity

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of each financial year) following information may be furnished

(a) Technology imported	Not Applicable
(b) Year of Import	Not Applicable
(c) Has technology been fully absorbed	Not Applicable
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	Not Applicable

ANNEXURE-II TO THE DIRECTORS' REPORT

Foreign Exchange Earnings and Outgo

(Rs. in Lacs)

A	EARNINGS	
	Exports (FoB)	2429.97
	Dividend	0.00
B	OUTGO	
	Import of Raw Material (CIF)	326.58
	Capital Goods	44.05
	Travelling	9.70
	Commission	41.56
	Others	4.78



ANNEXURE III TO THE DIRECTORS' REPORT

Statement pursuant to section 212 of the Companies Act, 1956 relating to Holding company's interest in the Subsidiary Companies :

1	Name of the company	Autopal Inc.
2	Financial year ended on	March 31, 2010
3	The extent of the holding company's interest in the subsidiary at the end of the financial year of the subsidiary	a) No. of equity shares Held: 6 (US \$ 10,000 each) b) %age of shareholding: 100%
4	The net aggregate amount of the Profit/(Loss) of the subsidiary so far as it concerns the members of the company, and a) is not dealt with in the company's account of the subsidiary's profit after deducting loss * For the financial year ended on 31-03-10 (before dividend) * For previous financial years since it became subsidiary (after dividend) b) is dealt in the company's accounts : *For the financial year ended on 31-03-10 *For previous financial years since it became subsidiary	Profit: US \$ 2,568 Profit: US \$ 42,177 Nil Nil
5	Changes in the interest of the company between the end of the financial year of the subsidiary and 31-03-2010	None
6	Material changes between the end of the financial year of the subsidiary and 31-03-2010 in the subsidiary's fixed assets, investments and moneys lent/borrowed from them.	None

Place : Jaipur
Dated : 14.08.2010

For and on behalf of the Board of Directors
Sd/-
(M. P. Gupta)
Managing Director

Autolite (India) Limited

AUDITORS' REPORT

To the Members of AUTOLITE (INDIA) LIMITED

1. We have audited the attached Balance Sheet of **AUTOLITE (INDIA) LIMITED** as at 31st March, 2010 and also the Profit & Loss Account of the Company for the year ended on that date, annexed thereto and the Cash Flow Statement for the year ended on that date which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.
 2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4-A) of the Companies Act, 1956, we give in the Annexure a Statement on the matters specified in paragraphs 4 & 5 of the said order.
 4. Further to our comments in the Annexure referred to in paragraph (1) above :
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of the books.
 - (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - (d) In our opinion, the Profit & Loss Account, Balance Sheet and Cash Flow statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except for AS-9 (Revenue Recognition) as detailed in para 31 of schedule 'W' of Balance Sheet & AS-22 (Accounting for Taxes on Income) as detailed in para 30 of Schedule 'W' of Balance Sheet.
 - (e) As the Company has failed to repay its deposits and interest thereon on due date and such failure is continuing for more than one year, all the Directors of the Company are disqualified from being appointed as Director in terms of clause (g) of such-section (1) of Section 274 of the Companies Act.
 - (f)
 - (i) As detailed in para (e) above all the directors of the Company are disqualified from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act.



(ii) As detailed in para 33 of Schedule 'W' of Balance Sheet regarding confirmation of balances of Sundry Debtors, Suppliers and Loans & Advances.

(iii) As reported in Annexure to the Auditors' Report para No. IX(a) the Company is not regular in depositing its statutory dues with appropriate authorities.

(iv) As detailed in para 30 of Schedule 'W' of Balance Sheet no impact has been taken in books for Deferred Tax Assets/Liabilities.

(v) Inadequate provision for Irrecoverable/Doubtful Loans and Advances has been made in profit & loss account amounting to

(a) Rs. 1176.94 Lacs being loans and advance to a Company which is registered as sick unit with Board for Industrial & Financial Reconstruction.

(b) Rs. 657.49 Lacs being advance against supplies to a Company which is registered as Sick Unit with Board for Industrial and Financial Reconstruction against which only Rs.93.62 Lacs provided in books by which Accumulated loss is understated and loan and advances are overstated,

(vi) As detailed in para 31 of Schedule 'W' of Balance Sheet regarding Export Incentives on estimated basis for Rs.414.93 Lacs claim for which has not been accepted by the concerned

department. by which Accumulated Loss is understated and other Current Assets are overstated.

We further report that had the observation made by us in items (v) & (vi) above been considered the loss for the year would have been Rs.2101.02 Lacs (as against reported figure of profit before tax of Rs.54.72 lacs), the accumulated losses would have been Rs.5094.85 Lacs (as against reported figure of Rs.2939.11 Lacs), the Loans and Advances would have been Rs.454.54 Lacs (as against reported figure of Rs.2195.35 Lacs) other Current Assets would have been Rs.273.12 Lacs (as against reported figure of Rs.688.05 Lacs).

(g) Subject to foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with all the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2010,

(ii) In the case of Profit & Loss account, of the Profit of the Company for the year ended on that date; and

(iii) In the case of Cash Flow Statement, of the Cash flows for the year ended on that date.

For H.C. GARG & CO.
CHARTERED ACCOUNTANTS
FRN - 000152C

Sd/-

MADHUKAR GARG
PROPRIETOR
M. No. 70162

PLACE : JAIPUR
DATE : 29.05.2010

Autolite (India) Limited

ANNEXURE TO THE AUDITORS' REPORT (Referred to in paragraph 3 of our Report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. No fixed assets register has been maintained for dies and tools up to 31.3.98.
- (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) During the year the Company has disposed off its Assets relating to Glass Project as project has become redundant for the Company due to rapid technological changes. This sale has not affected going concern concept of the Company.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory. No material discrepancies were noticed on physical verification.
- (iii) (a) The Company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. The number of parties are 6 (Six) and amount involved in the transaction is Rs.26.57 Crores.
- (b) The rate of interest and other terms and conditions of loans given by the Company, secured or unsecured, are prima facie prejudicial to the interest of the Company.
- (c) The Company is not regular in recovery of Principal and Interest in respect of loans given.
- (d) Reasonable steps have not been taken by the Company for recovery of the principal and interest.
- (e) The Company has taken unsecured loans from the companies, firms or other parties covered in the register maintained under section 301 of the Act. The Number of parties are 12 (Twelve) and amount involved in the transaction are Rs.80.56 Lacs.
- (f) The rate of interest and other terms and conditions of the loans taken by the Company, secured or unsecured, are prima facie not prejudicial to the interest of the Company.
- (g) The Company is regular in payment of Principal and Interest in respect of loans taken.
- (iv) In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of the business; for the purchase of inventory and fixed assets and for the sale of goods. Further, there is no continuing failure to correct major weaknesses in internal control system.



(v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of Section 301 of the Act have been entered in the register required to be maintained under that section.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the period have been made at prices which are reasonable having regard to prevailing market prices at the relevant time, except in cases where no comparison was possible in the case of those materials, services where we were informed, there is no alternative source of supply.

(vi) As informed to us, during the year, the Company has accepted deposits from the public. The directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under, have been complied with except for

repayment of deposits on due dates. An order has been passed by Company Law Board and the same has not been complied with.

(vii) In our opinion the Company has an internal audit system commensurate with its size and nature of its business.

(viii) As informed to us maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act 1956, for the products of the Company.

(ix) (a) According to the books and records as produced and examined by us in accordance with the generally accepted Auditing practices in India and also based on management representations, the Company is not regular in depositing undisputed statutory dues. However, there is no undisputed statutory dues as at 31.3.2010 outstanding for a period of more than six months from the date they become payable.

(b) As at 31.3.2010, there has been dues of sales tax/income tax/custom duty/ wealth tax/excise duty/cess which are disputed and the details for which are given as under :

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Forum where dispute is pending
1. Sales Tax Laws	Sales Tax	1.11	Appellate Authorities
2. Central Excise Act	Excise Duty	3.53	High Court
		244.09	Central Excise & Service Tax Appellate Tribunal.
		109.30	Commissioner (Appeal), Central Excise, Jaipur.

Autolite (India) Limited

- (x) The accumulated losses of the Company as per Balance Sheet as at 31.3.2010 are not more than fifty per cent of its net worth. The Company has neither incurred cash losses in financial year ended on 31.3.2010 nor it has incurred cash losses in Accounting year immediately preceding such financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) According to information & explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) Considering the nature of activities carried on by the Company during the year, provisions of any special statute in respect of chit fund nidhi/mutual benefit fund/societies are not applicable to it.
- (xiv) In our opinion and according to information and explanations given to us, the Company has not dealt or traded in shares, securities, debentures or other investments during the year.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions during the year.
- (xvi) The Company has not taken Term Loan during the year.
- (xvii) On the basis of review of utilization of funds which is based on overall examination of the Balance sheet of the Company, related informations as made available to us and as represented to us by the management, the funds raised on short term basis have not been used for long term investments.
- (xviii) The Company has not made preferential allotment of shares to parties covered in the Register maintained under section 301 of the Act during the year.
- (xix) The Company has not issued any debentures during the year. Hence clause (xix) is not applicable to the Company.
- (xx) The Company has not raised any money through public issue during the year. Hence we offer no comments on same.
- (xxi) As per the information and explanations given to us, and on the basis of examination of records, no fraud on or by the Company was noticed or reported during the year.

PLACE : JAIPUR
DATE : 29.05.2010

For H.C. GARG & CO.
CHARTERED ACCOUNTANTS
FRN - 000152C
Sd/-
MADHUKAR GARG
PROPRIETOR
M. No. 70162



BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	31st MARCH, 2010 (Rs.)	31st MARCH, 2009 (Rs.)
I SOURCES OF FUNDS :			
1. SHAREHOLDERS' FUND			
Share Capital	'A'	94,634,947.00	94,634,947.00
Share/Warrants Application Money	'B'	0.00	9,737,800.00
Reserves & Surplus	'C'	<u>497,348,887.65</u>	<u>487,615,339.65</u>
		<u>591,983,834.65</u>	<u>591,988,086.65</u>
2. LOAN FUNDS			
Secured Loans	'D'	139,172,474.97	145,725,298.43
Unsecured Loans	'E'	<u>51,020,787.00</u>	<u>28,364,768.95</u>
		<u>190,193,261.97</u>	<u>174,090,067.38</u>
		<u>782,177,096.62</u>	<u>766,078,154.03</u>
TOTAL			
II APPLICATION OF FUNDS :			
1. FIXED ASSETS			
Gross Block	'F'	705,481,888.79	715,480,103.36
Less : Depreciation & Amortisation		<u>504,346,481.04</u>	<u>481,043,297.69</u>
Net Block		<u>201,135,407.75</u>	<u>234,436,805.67</u>
Capital Work-in-Progress		<u>15,293,695.00</u>	<u>10,370,699.00</u>
		<u>216,429,102.75</u>	<u>244,807,504.67</u>
2. INVESTMENTS			
	'G'	<u>3,007,797.00</u>	<u>4,239,657.00</u>
3. CURRENT ASSETS, LOANS AND ADVANCES :			
Inventories	'H'	56,323,475.00	64,346,694.00
Sundry Debtors	'I'	63,622,134.64	65,563,301.05
Cash & Bank Balances	'J'	19,516,141.01	22,698,978.78
Loans & Advances	'K'	219,535,256.95	195,073,214.45
Other Current Assets	'L'	<u>68,805,048.91</u>	<u>35,368,567.18</u>
		<u>427,802,056.51</u>	<u>383,050,755.46</u>
Less : Current Liabilities & Provisions	'M'	<u>163,454,961.41</u>	<u>156,494,219.57</u>
(A) Current Liabilities		<u>147,661,212.41</u>	<u>140,420,210.57</u>
(B) Provisions		<u>15,793,749.00</u>	<u>16,074,009.00</u>
Net Current Assets		<u>264,347,095.10</u>	<u>226,556,535.89</u>
4. (A) MISCELLANEOUS EXPENDITURE :			
(To the extent not written-off or adjusted)			
Deferred Revenue Expenses	'N'	4,481,771.70	3,505,624.70
(B) PROFIT & LOSS ACCOUNT			
		<u>293,911,330.07</u>	<u>286,968,831.77</u>
		<u>298,393,101.77</u>	<u>290,474,456.47</u>
		<u>782,177,096.62</u>	<u>766,078,154.03</u>
TOTAL			
NOTES ON ACCOUNTS	'W'		

SCHEDULE A TO N AND W FORM AN INTEGRAL PART OF BALANCE SHEET

For and on behalf of the Board

Sd/- (M.P. Gupta) Managing Director	Sd/- (Adarsh M. Gupta) Director	Sd/- (M.S. Shekhawat) General Manager (F)	As per our Separate Report of even date attached for H.C. Garg & Co. Chartered Accountants FRN-000152C
Place : Jaipur Date : 29.05.2010	Sd/- (Pawan Agarwal) Sr.Manager Accounts	Sd/- (Vishal Agarwal) Company Secretary	Sd/- (MADHUKAR GARG) Proprietor M. NO. 70162

Autolite (India) Limited

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	SCHEDULE	31st MARCH, 2010	31st MARCH, 2009
		(Rs.)	(Rs.)
INCOME			
Sales	'O'	958,293,850.23	816,836,927.51
Less : Returns		2,477,390.35	13,682,240.02
Less : Excise Duty		53,331,344.00	67,219,990.00
		<u>902,485,115.88</u>	<u>735,934,697.49</u>
Increase/Decrease in Stock		(17,132,644.00)	14,197,905.00
Other Income	'P'	32193,222.33	23,344,561.63
Transfer From Capital Reserve		4,252.00	4,908.00
TOTAL		<u>917549,946.21</u>	<u>773,482,072.12</u>
EXPENDITURE :			
Raw Material Consumed	'Q'	436,209,073.72	391,366,692.82
Purchase of Finished Goods		206,605,778.27	121,007,133.49
Payment to & Provision for Employees	'R'	60,224,110.85	53,922,399.80
Manufacturing Expenses	'S'	68,400,820.87	53,023,120.91
Administrative Expenses	'T'	16,383,151.91	18,750,487.18
Selling Expenses	'U'	57,543,829.01	54,932,004.63
Financial Expenses	'V'	27,226,031.27	32,382,601.78
Depreciation & Amortisation		38,661,807.00	41,957,812.03
Deferred Revenue Expenses Written-off		823,172.00	305,116.00
		<u>912,077,774.90</u>	<u>767,647,368.64</u>
Profit for the Year Before Tax		<u>5,472,171.31</u>	<u>5,834,703.48</u>
Less : Provision for Doubtful debts, Loans & Advances		1,487,737.94	5,112,168.00
Less : Provision for Current Tax		0.00	700,000.00
Less : Provision for Fringe benefit tax		0.00	1,300,000.00
Less : Extra ordinary items (Refer Note No. 2 of Shedule "W")		9,013,483.66	0.00
Less : Prior period items		4,611,310.00	0.00
Profit For the Year After Tax		<u>(9,640,360.29)</u>	<u>(1,277,464.52)</u>
Add : Provision of Earlier Years Written Back		2,697,861.99	2,663,757.35
Add : Profit/(Loss) Brought Forward from Previous Year		<u>(286,968,831.77)</u>	<u>(288,355,124.60)</u>
Profit/(Loss) Carried to Balance Sheet		<u>(293,911,330.07)</u>	<u>(286,968,831.77)</u>
Basic & Diluted Earning Per Share (Refer Note No.27 Of Schedule "W")			

SCHEDULE O TO V AND W FORM AN INTEGRAL PART OF PROFIT & LOSS ACCOUNT

For and on behalf of the Board

Sd/- (M.P. Gupta) Managing Director	Sd/- (Adarsh M. Gupta) Director	Sd/- (M.S. Shekhawat) General Manager (F)	As per our Separate Report of even date attached for H.C. Garg & Co. Chartered Accountants FRN-000152C
Place : Jaipur Date : 29.05.2010	Sd/- (Pawan Agarwal) Sr.Manager Accounts	Sd/- (Vishal Agarwal) Company Secretary	Sd/- (MADHUKAR GARG) Proprietor M. NO. 70162



ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2010

31st MARCH, 2010 31st MARCH, 2009
(Rs.) (Rs.)

SCHEDULE 'A' : SHARE CAPITAL

AUTHORISED SHARE CAPITAL

3,00,00,000 Equity Shares of Rs. 10/- each	300,000,000.00	300,000,000.00
1,00,00,000 Redeemable Preference Shares of Rs. 10/- each	100,000,000.00	100,000,000.00

ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

94,56,241 Equity Shares of Rs. 10/- each, Fully Paid-up. Out of which 34,110 Equity Shares of Rs. 10/- each fully paid-up issued for consideration other than cash pursuant to agreement for acquiring the running business of M/s. Autolite of India, a Partnership firm	94,562,410.00	94,562,410.00
Add : Share Forfeiture	72,537.00	72,537.00
TOTAL	94,634,947.00	94,634,947.00

SCHEDULE 'B' : SHARES & WARRANTS APPLICATION MONEY

As per Last Balance Sheet	9,737,800.00	9,737,800.00
Less Forfeited and transferred to capital reserve	9,737,800.00	0.00
TOTAL	0.00	9,737,800.00

SCHEDULE 'C' : RESERVES & SURPLUS

Capital Reserve :

As per Last Balance Sheet	71,734,863.98	
Add : Warrant Application money forfeited	9,737,800.00	
Less : Transfer to profit & Loss Account	<u>4,252.00</u>	
	81,468,411.98	71,734,863.98
Securities Premium :	363,314,941.67	363,314,941.67
General Reserve :	49,605,068.00	49,605,068.00
Capital Redemption Reserve :	2,500,000.00	2,500,000.00
Utilised Investment Allowance Reserve	339,466.00	339,466.00
Utilised Export Development Reserve	121,000.00	121,000.00
TOTAL	497,348,887.65	487,615,339.65

Autolite (India) Limited

	31st MARCH, 2010 (Rs.)	31st MARCH, 2009 (Rs.)
SCHEDULE 'D' : SECURED LOANS		
RAJASTHAN FINANCIAL CORPORATION	57,365,213.00	64,500,000.00
Mortgage loan against Industrial land and building situated at E-526 to 530 RIICO Industrial Area sitapura Jaipur		
KOTAK MAHINDRA BANK LIMITED		
2. Cash Credit	0.00	12,355,536.47
3. Packing Credit Limit	59,013,491.69	55,284,588.75
4. Working Capital demand Loan	18,359,853.16	6,832,077.00
1. Secured by way of first and exclusive charge on all existing and future current assets/ movable assets and plant and machinery of the Company		
2. Secured by way of equitable charge on the land & building situated at VKI Area jaipur		
3. Secured by way of equitable charge on land & building situated at Mahar House, Jaipur		
VEHICLE LOAN	3,620,997.12	5,986,408.21
Secured against Vehicle		
Interest Accrued and Due on Secured loans	812,920.00	766,688.00
TOTAL	139,172,474.97	145,725,298.43
SCHEDULE 'E' : UNSECURED LOANS		
Fixed Deposits	9,187,250.00	9,972,250.00
Other Loans and Advances:		
a) From Banks		
b) From Others :		
(i) Directors	0.00	1,209,766.95
(ii) Share Holders	0.00	1,346,000.00
(iii) Others	26,200,000.00	0.00
Interest accrued and due	15,633,537.00	15,836,752.00
TOTAL	51,020,787.00	28,364,768.95

SCHEDULE 'F' : FIXED ASSETS

NAME OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	AS ON 01-04-2009	ADDITIONS DURING THE YEAR	DEDUCT.TRNSFR DURING THE YEAR	AS ON 31-03-2010	ACCUMULATED ON 01-04-2009	FOR THE YEAR	ADJUSTMENT	UPTO 31-03-2010	AS ON 31-03-2010	AS ON 31-03-2009
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
LEASE HOLD LAND	11,149,084.95	2,701,366.00	6,248,923.95	7,601,527.00	0.00	0.00	0.00	0.00	7,601,527.00	11,149,084.95
FREE HOLD LAND	317,865.00	0.00	0.00	317,865.00	0.00	0.00	0.00	0.00	317,865.00	317,865.00
WELL	192,356.00	0.00	108,424.00	83,932.00	0.00	0.00	0.00	0.00	83,932.00	192,356.00
FACTORY BUILDING	94,971,473.56	0.00	26,326,311.71	68,645,161.85	45,192,310.25	1,985,811.00	7,107,676.00	40,070,445.25	28,574,716.60	49,779,163.31
PLANT & MACHINERY AND RESEARCH & DEVELOPMENT EQUIPMENTS	260,716,962.34	20,236,975.74	22,373,817.00	258,580,121.08	157,600,931.59	12,192,711.00	7,825,624.00	161,968,018.59	96,612,102.49	103,116,030.75
D.G.SET	2,306,261.33	0.00	0.00	2,306,261.33	1,667,812.97	74,952.00	0.00	1,742,764.97	563,496.36	638,448.36
FURNITURE & FIXTURES	9,528,100.25	110,508.00	0.00	9,638,608.25	9,030,516.41	194,683.00	0.00	9,225,199.41	413,408.84	497,583.84
OFFICE EQUIPMENT	7,324,290.03	412,127.00	18,353.00	7,718,064.03	5,420,807.24	275,966.00	15,782.00	5,680,991.24	2,037,072.79	1,903,482.79
ELECTRIC FITTING	7,597,605.83	0.00	0.00	7,597,605.83	6,142,255.72	177,822.00	0.00	6,320,077.72	1,277,528.11	1,455,350.11
DIES & TOOLS	261,393,044.97	14,362,023.00	0.00	275,755,067.97	220,966,614.95	16,718,600.00	0.00	237,685,214.95	38,069,853.02	40,426,430.02
VEHICLES	13,940,781.79	903,534.00	415,261.65	14,429,054.14	4,836,988.31	2,433,247.00	409,541.65	6,860,693.66	7,568,360.48	9,103,793.48
COMPUTER AND SOFTWARE	17,822,280.35	572,343.00	0.00	18,394,623.35	16,447,544.26	604,435.00	0.00	17,051,979.26	1,342,644.09	1,374,736.09
COMPUTER SOFTWARE	7,445,440.00	6,194,000.00	0.00	13,639,440.00	2,785,464.00	3,512,456.00	0.00	6,297,920.00	7,341,520.00	4,659,976.00
OFFICE BUILDING	20,774,556.96	0.00	0.00	20,774,556.96	10,952,051.99	491,124.00	0.00	11,443,175.99	9,331,380.97	9,822,504.97
TOTAL	715,480,103.36	45,492,876.74	55,491,091.31	705,481,888.79	481,043,297.69	38,661,807.00	15,358,623.65	504,346,481.04	201,135,407.75	234,436,805.67
CAPITAL WORK-IN PROGRESS										
DIES & TOOLS	10,370,699.00	4,922,996.00	0.00	15,293,695.00	0.00	0.00	0.00	0.00	15,293,695.00	10,370,699.00
TOTAL	10,370,699.00	4,922,996.00	0.00	15,293,695.00	0.00	0.00	0.00	0.00	15,293,695.00	10,370,699.00
GRAND TOTAL	725,850,802.36	50,415,872.74	55,491,091.31	720,775,583.79	481,043,297.69	38,661,807.00	15,358,623.65	504,346,481.04	216,429,102.75	244,807,504.67
PREVIOUS YEAR	694,300,143.36	39,700,847.00	8,150,188.00	725,850,802.36	443,298,464.58	41,957,812.03	4,212,978.92	481,043,297.69	244,807,504.67	251,001,678.78

(37)



Autolite (India) Limited

31st MARCH, 2010 31st MARCH, 2009

(Rs.)

(Rs.)

SCHEDULE 'G' : INVESTMENTS

LONG TERM INVESTMENTS

QUOTED

Fully paid up Equity shares at cost of Limited Company under the same Management

(i) Autopal Industries Limited, Jaipur.

280000 Shares @ 80.60 (Sold during the year 2009-10) 0.00 22,568,000.00

600000 Shares @ 25/- each (sold 59900 during the year 2009-10) 2,500.00 15,000,000.00

Fully paid equity shares at cost of a Limited Company

(i) Palsoft Infosystems Limited, Jaipur

501300 Shares @ 20/- each 10,026,000.00 10,026,000.00

10 Shares @ 10/- each 100.00 100.00

Fully paid equity shares at cost of Financial Institution & Public Sector Bank

(i) IDBI BANK LIMITED

160 shares @ 81.25 incl. Bonus Shares 13,000.00 13,000.00

MARKET VALUE OF QUOTED INVESTMENT RS. 23.42 LACS

UN-QUOTED

Fully paid up Equity Shares at cost of Private Limited Companies

(i) Alwar Auto Pvt, Limited, Jaipur

4800 Shares @ 100/- each 480,000.00 480,000.00

Fully paid up Equity Shares at cost of Limited Companies

(i) Anusika Industries Limited, Jaipur

270300 Shares @ 40 each (Sold during the year 2009-10) - 10,812,000.00

2800 Shares @ 50 each 140,000.00 140,000.00

Fully paid up 6 Equity Shares of US\$ 10,000

1,891,775.00 1,891,775.00

each of Autopal Inc. USA a wholly owned subsidiary

Less :- Provision For Diminution In Value

(9,545,578.00) (56,691,218.00)

TOTAL

3,007,797.00 4,239,657.00



	31st MARCH, 2010 (Rs.)	31st MARCH, 2009 (Rs.)
SCHEDULE 'H' : INVENTORIES		
(As taken & Certified by the Management)		
1. Raw Materials, Stores and Packing Material (Valued at cost or Net Realisable Value, whichever is lower)	30,416,542.00	21,488,839.00
2. Imported Raw Materials (Valued at cost or Net Realisable Value, whichever is lower)	6,451,575.00	6,269,853.00
3. Work-In-Process (Valued at cost or Net Realisable Value, whichever is lower)	7,783,357.00	17,212,734.00
4. Finished Goods (Valued at cost or Net Realisable Value, whichever is lower)	9,990,198.00	16,264,357.00
5. Traded Goods (Valued at cost or Net Realisable Value, whichever is lower)	1,681,803.00	3,110,911.00
TOTAL	56,323,475.00	64,346,694.00

SCHEDULE 'I' : SUNDRY DEBTORS

(A) Unsecured and Considered Good		
(as certified by the Management)		
Debts Outstanding for a period exceeding Six Months	5,293,177.79	3,051,093.11
Other Debts	58,328,956.85	62,512,207.94
TOTAL (A)	63,622,134.64	65,563,301.05
(B) Unsecured and Considered Doubtful		
(as certified by the Management)		
Debts Outstanding for a period exceeding six months	25,906,275.46	33,046,008.85
Other Debts	0.00	0.00
Less : Provision For doubtful debts	25,906,275.46	33,046,008.85
TOTAL (B)	0.00	0.00
TOTAL	(A + B)	65,563,301.05

Autolite (India) Limited

	31st MARCH, 2010 (Rs.)	31st MARCH, 2009 (Rs.)
SCHEDULE 'J' : CASH AND BANK BALANCES		
Cash-in-Hand (As certified by The Management)	731,604.31	256,444.31
Balance with Scheduled Banks		
In Current Accounts	8,810,842.09	7,017,936.10
In Fixed Deposit	9,973,694.61	15,424,598.37
TOTAL	19,516,141.01	22,698,978.78

SCHEDULE 'K' : LOANS & ADVANCES

1. Cash with Collector Central Excise, Jaipur.	528,264.00	2,607,565.00
2. Prepaid Expenses	284,695.00	568,831.00
3. Advance receivable in Cash or in Kind or for value to be received:		
(a) Advance to Creditors (Exp.)	3,012,014.31	6,261,317.63
(b) Advance to Suppliers	32,002,224.18	33,629,027.74
(c) Advance against Salaries	325,243.00	271,075.00
(d) Advance against Expenses	757,737.73	66,497.76
(e) Advance against Capital Goods	10,466,147.74	6,762,947.84
(f) Advance to Others	138,908,957.87	111,135,770.87
4. Advance payment of Taxes	341,876.77	2,544,890.40
5. Loans & Advance (considered doubtful) 71,498,094.65		
Less : Provision for Doubtful Loans & Advances	38,589,998.30	
	32,908,096.35	31,225,291.21
TOTAL	219,535,256.95	195,073,214.45

SCHEDULE 'L' : OTHER CURRENT ASSETS

1. Excise duty under calim	3,904,186.00	3,904,186.00
2. Deposit with Govt./Semi Govt. Deptt./Bodies	1,758,311.00	1,758,311.00
3. Claims Receivable	59,352,755.97	25,920,527.26
4. Demand Under Dispute	3,718,290.67	3,718,290.67
5. Interest earned but not yet due	71,505.27	67,252.25
TOTAL	68,805,048.91	35,368,567.18



31st MARCH, 2010 31st MARCH, 2009
(Rs.) (Rs.)

SCHEDULE 'M' : CURRENT LIABILITIES & PROVISIONS

(A) Current liabilities

Sundry Creditors for Goods

a)- Dues of micro, small & medium enterprises

(refer note no 15 of Schedule "W" of Balance Sheet)

b)- Others

Sundry Creditors (others)

Customer Credit Balance

Outstanding liabilities

Security from Dealers & Distributors

Government Dues

Security Deposit from Staff

Total (A)

(B) Provisions

Current Tax

Fringe benefit tax

Gratuity

Leave encashment

Total (B)

TOTAL

	--	--
	94,154,058.50	81,561,601.23
	12,292,414.83	11,814,139.04
	16,364,324.87	19,245,971.83
	19,564,445.51	22,594,730.77
	2,987,968.00	2,932,968.00
	1,590,147.70	1,523,484.70
	707,853.00	747,315.00
	<u>147,661,212.41</u>	<u>140,420,210.57</u>
	0.00	700,000.00
	0.00	1,300,000.00
	12,454,362.00	10,681,239.00
	3,339,387.00	3,392,770.00
	<u>15,793,749.00</u>	<u>16,074,009.00</u>
	<u>163,454,961.41</u>	<u>156,494,219.57</u>

SCHEDULE 'N' : DEFERRED REVENUE EXPENDITURE

Product & Market Development Expenses

As per Last Balance Sheet 3,505,624.70

Add : Expenses during the year 1,799,319.00

Less : Written-off during the year 823,172.00

4,481,771.70

3,505,624.70

TOTAL

4,481,771.70

3,505,624.70

ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED ON 31ST MARCH, 2010

SCHEDULE 'O' : SALES

SALES

Within India

Out of India

TOTAL

710,465,929.82

247,827,920.41

958,293,850.23

562,748,366.90

254,088,560.61

816,836,927.51

Autolite (India) Limited

	31st MARCH, 2010 (Rs.)	31st MARCH, 2009 (Rs.)
SCHEDULE 'P' : OTHER INCOME		
Commission Received	285,821.48	59,195.14
Profit on Sale of Fixed Assets	14,280.00	99,293.17
Profit from Subsidiary	282,192.00	0.00
Dividend	400.00	320.00
Miscellaneous Receipt	813,994.85	679,319.00
Royalty	345,864.00	314,317.00
Profit on Sale of Investments	540,600.00	500,000.00
Export Incentive	27,153,070.00	20,050,962.32
Rent Receipts	600,000.00	600,000.00
Subsidy from RIICO	1,230,000.00	0.00
Job Work	927,000.00	0.00
Balance Written-off	0.00	1,041,155.00
TOTAL	<u>32,193,222.33</u>	<u>23,344,561.63</u>
SCHEDULE 'Q' : RAW MATERIAL CONSUMED		
Opening Stock	27,758,692.00	43,858,192.00
Add : Purchase of Raw Material	445,318,498.72	380,926,645.09
	<u>473,077,190.72</u>	<u>424,784,837.09</u>
Less : Scrap Sales & Others	0.00	5,659,452.27
	<u>473,077,190.72</u>	<u>419,125,384.82</u>
Less : Closing Stock (Valued at cost or Net Realisable Value, whichever is lower)	36,868,117.00	27,758,692.00
TOTAL	<u>436,209,073.72</u>	<u>391,366,692.82</u>
SCHEDULE 'R' : PAYMENT TO AND PROVISIONS FOR EMPLOYEES		
Salaries & Wages	33,762,466.80	29,360,449.20
Directors' Remuneration (including perquisites)	4,329,422.00	5,926,654.00
Directors' sitting fees	96,000.00	126,000.00
Bonus & Ex-gratia	1,997,178.00	3,569,250.00
Leave Encashment	454,222.00	1,944,733.00
Production Incentive	6,153,629.00	1,046,812.00
Employer's Contribution to Provident Fund, Family Pension Fund, etc.	2,140,998.05	2,081,220.00
Employer's Contribution to ESI	684,028.55	640,972.45
Labour & Staff Welfare	1,017,829.00	1,035,212.00
House Rent Allowance	7,095,372.45	6,334,174.15
Notice Pay	(30,785.00)	(58,457.00)
Gratuity	2,523,750.00	1,915,380.00
TOTAL	<u>60,224,110.85</u>	<u>53,922,399.80</u>



31st MARCH, 2010
(Rs.)

31st MARCH, 2009
(Rs.)

SCHEDULE 'S' : MANUFACTURING EXPENSES

Repairing to Plant & Machinery (including Die Repairing)	5,973,144.27	3,805,765.85
Water & Electricity Charges	10,349,190.00	10,224,724.00
Job Labour Expenses	49,149,346.00	37,601,491.00
Repairing to Factory Building	788,838.00	345,431.00
Quality & Sample Testing	385,816.60	208,183.00
Drawing & Designing (Research & Development Expenses)	111,707.00	114,932.06
Fuel & Coal	1,642,779.00	722,594.00
TOTAL	68,400,820.87	53,023,120.91

SCHEDULE 'T' : ADMINISTRATIVE EXPENSES

Travelling & Conveyance	2,289,815.20	3,922,937.60
Postage, Telephone & Telex	2,305,717.00	2,398,290.95
Vehicle Maintenance	1,443,342.00	1,092,698.00
Printing & Stationery	791,644.00	735,340.00
Repairs & Maintenance	1,392,421.00	1,608,540.00
Insurance Premium	106,500.00	147,440.00
Legal Expenses	1,155,773.00	1,161,505.00
Books & Periodicals	237,690.00	233,255.00
Rent, Rates & Taxes	2,052,999.00	2,136,693.00
Payment to Auditors	284,000.00	266,720.00
Internal Audit Fee	150,000.00	107,600.00
Consultation Fee	1,604,380.00	1,791,247.00
Miscellaneous Expenses	1,566,554.71	1,907,247.38
Charity & Donation	456,596.00	1,099,712.00
Sales Tax/Income Tax/PF/ESI Demand	40,445.00	31,351.00
Loss on Sales of Fixed Assets	1,571.00	35,921.25
Loss on Sales of Investment	351,960.00	0.00
TS:16949 Audit Expenses	151,744.00	73,989.00
TOTAL	16,383,151.91	18,750,487.18

Autolite (India) Limited

	31st MARCH, 2010	31st MARCH, 2009
	(Rs.)	(Rs.)
SCHEDULE 'U' : SELLING EXPENSES		
Export Development Expenses	5,418,671.36	6,353,885.09
Sales Promotion	2,803,424.81	3,032,800.00
Freight & Insurance Outwards	21,173,944.88	19,023,025.93
Commission & Discount	24,718,881.60	24,924,196.69
Entertainment Expenses	846,151.00	754,000.00
Breakage & Damages	2,582,755.36	844,096.92
TOTAL	57,543,829.01	54,932,004.63

SCHEDULE 'V' : FINANCIAL EXPENSES

Bank Charges	2,624,985.51	2,522,978.05
Interest :-		
Term loan	10,528,366.00	11,079,493.98
Bank	13,339,193.40	12,961,432.57
Others	1,647,321.00	2,874,438.98
Intrest received (TDS Rs. 155663 : P. Year Rs. 103032)	(2,356,448.88)	(236,231.59)
Other Financial Charges	1,442,614.24	3,180,489.79
TOTAL	27,226,031.27	32,382,601.78



SCHEDULE 'W' : NOTES ON ACCOUNTS

1. ACCOUNTING POLICIES

(i) FIXED ASSETS

All fixed assets are stated in the Balance Sheet at Cost. The Company capitalizes all costs related to fixed assets acquisitions and installations.

(ii) DEPRECIATION

- (a) Depreciation is provided as per rates specified in Schedule XIV of the Companies Act, 1956 on straight line method for 100% EOU Unit, Bulb & Capsule Division, Dies & Moulds Division, Machine Building Division & Glass project and written down value method for Head Lamp Division on single shift basis.
- (b) In respect of Glass project, the company has provided depreciation from March 2001 due to reduction in the useful life of assets by effluxion of time, though the commercial production has been started in 2008-09.
- (c) Depreciation is provided on pro-rata basis from the month in which assets come into operation and depreciation for the month of sale is ignored.
- (d) No depreciation is provided on Freehold Land, Lease hold land and Well.

(iii) INVENTORIES

- (a) Raw Material, Stores, Spares, Work in Process are valued at landed cost or net realizable value, whichever is lower.
- (b) Finished goods are valued at Cost or Net realizable value, whichever is lower.
- (c) The cost of imported Raw Material includes custom duties and other direct

expenditure.

- (d) Inventories have been valued on the basis of FIFO method.

(iv) FOREIGN EXCHANGE TRANSACTION

- (a) Export sales are accounted for at the actual rates prevailing at the time of negotiation of Bills. Those bills which are not negotiated are accounted for at the rates prevailing on Balance Sheet date.
- (b) Expenditure in Foreign Currency is accounted for at the rate prevailing on the date of transaction.
- (c) Cost of Imported material is converted to Indian Currency at the rate prevailing on the date of debiting such transaction by the Bank.
- (d) Current Assets and Current Liabilities are accounted for at the rates prevailing as at the Balance sheet date.

(v) SALES

Local Sales :

Sales are inclusive of Excise Duty but exclusive of Sales Tax and Trade Discount. Sales is inclusive of inter-unit transfer which is Rs. 1985.41 Lacs. (Rs. 1419.44 Lacs)

Export Sales :

Export Sales are inclusive of Freight & Insurance wherever the terms are of CIF/C&F basis. Export Sales are accounted on the date of removal of goods from Factory.

(vi) DEFERRED REVENUE EXPENDITURE

Expenditure in respect of New Export Market

Autolite (India) Limited

Development through participation in 'Foreign Trade Fair' and New Product Development are treated as deferred revenue expenditure and are amortized in subsequent five years.

(vii) EMPLOYEE BENEFITS

(1) The Company has Defined Contribution Plan for its Employees Retirement Benefits comprising of Provident Fund and Employees State Insurance Fund. The Company and eligible employees make monthly contribution to the above mentioned funds at a specified percentage of the covered employees salary. The Company recognizes its contributions as expenses of the year in which the liability is incurred.

(2) The Company has Defined Benefit Plan comprising of Gratuity Fund and Leave Encashment. The liability for Gratuity and Leave Encashment is determined on the basis of independent actuarial valuation done at year end. There are no Plan Assets in respect of the above as both are non-funded.

(3) **Group Accident Policy**
The Company has taken a policy from The New India Assurance Co.Ltd. to cover those employees which are not covered in E.S.I.C Act. Premium paid/payable during the year is charged to Profit and Loss Account.

(viii) BASIS OF ACCOUNTING

The Company has prepared Accounts on a going concern basis and follows the mercantile system of accounting generally.

(ix) CAPITAL WORK IN PROGRESS

Cost of fixed assets yet to come into operation and other direct and indirect

expenditure related to such assets are treated as capital work in progress.

(x) INVESTMENTS

Investments are valued at cost. Provision for diminution in the value of long term investments is made, only if such decline is other than temporary.

(xi) TAXATION

Income tax expenses comprise current tax and deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted by the balance sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized, only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized, only to the extent there is a reasonable certainty of its realizations. At each Balance Sheet date, the carrying amount of deferred tax assets is to be reviewed to reassess realization.

(xii) LEASE TRANSACTION

For assets taken on operating lease, lease rentals payable are charged to revenue.

(xiii) BORROWING COSTS

Borrowing cost on working capital is charged against the Profit/Loss for the year in which it is incurred. Borrowing cost that is attributable to the construction/acquisition of fixed assets are capitalized as part of the cost of these capitalized assets till the date of completion of physical construction/mechanical completion of the assets.



(xiv) IMPAIRMENT OF ASSETS

The carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An Asset is treated as impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

(xv) INTANGIBLE ASSETS

Business Application Software intended for Long Term use is recorded at acquisition cost. These software's are amortized over their estimated useful life of 30 months.

(xvi) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company recognizes a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date

2. CONTINGENT LIABILITIES NOT PROVIDED FOR :

- (a) Estimated amount of contracts remaining to be executed on capital account (net of advances) Rs. 2,97,97,517/- (Previous year Rs. 3,16,75,540/-).
- (b) Bank Guarantee issued by the Bankers on behalf of the Company Rs. 45,00,000/- (Previous year Rs. 32,12,000/-)
- (c) Foreign Bill/Cheque Purchase/Discounted by the Bankers on behalf of the Company Rs. 2,41,23,638/- (Previous year Rs. 7,96,39,115/-).
- (d) L/C issued by the Bank on behalf of the Company Rs. 2,53,82,476/- (Previous year Rs. 2,68,02,850/-)
- (e) **Demands under dispute:**
 - (i) Excise duty Rs.3,95,95,146/- (Amount deposited with Excise Authorities Rs. 39,04,186/-).
 - (ii) Sales Tax Rs. 6,77,915.67 (Amount deposited with Sales Tax Authorities Rs. 5,66,667.67).
 - (iii) Income Tax Rs. 31,51,623/- (Amount deposited with Income Tax Authorities Rs. 31,51,623/-).

The company has preferred appeals/revision against all the demands mentioned above.

- 3. Excise duty payable on finished goods is accounted for on clearance of goods from factory. The amount of excise duty payable on Finished goods of stocks lying in factory as at 31st March 2010 is estimated at Rs. 14.37 Lacs (Rs.13.75 Lacs).

Autolite (India) Limited

4. TURNOVER

Particulars	Quantity (Nos.)	Value (Rs.)
(i) Head Lamps	33,53,965 (32,31,140)	46,10,21,668 (41,53,37,197)
(ii) Reflectors	Nil (Nil)	Nil (Nil)
(iii) Sealed Beams	59,804 (67,950)	54,89,192 (64,78,006)
(iv) Miscellaneous	1,69,615 (1,69,665)	89,09,504 (86,12,130)
(v) Scrap Sales / Input as such Clear (HL)	N.A. (N.A.)	5,11,98,069 (3,13,80,401)
(vi) Bought-out Finished Goods Exported (FOB) (Head Lamps/Sealed Beams, Reflectors & Bulbs etc.)	3,73,700 (3,71,200)	22,05,591 (28,25,625)
(vii) Bought out finished goods (Domestic) (Head lamp Spares, Halogen Bulb, Capsule, Bulb Component)	13,63,269 (13,03,219)	3,55,52,803 (3,64,95,259)
(viii) Bought out finishd goods (Domestic) (M.S. Sariya, Channel, Pipe, Angle etc.)	Nil (773.38 M.T.)	Nil (3,80,29,844)
(ix) Halogen Bulbs (Export)	12,15,952 (13,80,020)	2,91,15,931 (3,61,87,665)
(x) Halogen Bulbs & Capsules (Domestic sales)	53,42,528 (45,53,793)	10,37,64,073 (9,38,99,115)
(xi) Scrap Sales/Input as such clear (Halogen Bulb)	N.A. (N.A.)	24,58,412 (25,26,110)
(xii) Machines & Parts	518 (433)	1,22,20,160 (92,14,200)
(xiii) Dies & Moulds	71 (144)	49,72,996 (1,03,77,899)
(xiv) Lens / Glass Division	Nil (4,90,488)	Nil (47,85,113)
(xv) Trading Division	47,74,562 (10,00,491)	18,80,54,107 (5,34,68,373)
Less : Sales Return Head Lamps /Sealed Beam/Reflector/Horns etc.	N.A. (N.A.)	15,84,500 (88,84,543)
Less : Sales Return Halogen Bulbs	N.A. (N.A.)	4,18,085 (47,97,697)
Less : Sales Return (Trading Div.)	3,123 (Nil)	2,77,893 (Nil)
Less : Sales Return Trading inhouse	6,263 (Nil)	1,96,912 (Nil)
TOTAL	<u>1,66,44,598</u> <u>(1,25,69,316.38)</u>	<u>90,24,85,116</u> <u>(73,59,34,697)</u>

5. MATERIAL CONSUMED

Particulars	Quantity (Nos.)	Value (Rs.)
(i) C.R.C.A. Sheets	1936.106 M. T. (1653.645 M. T.)	7,87,90,785 (7,17,75,150)
(ii) Bulbs	20,42,373 Nos. (14,81,252 Nos.)	2,91,93,488 (2,53,72,724)
(iii) Lens	35,51,309 Nos. (37,08,444 Nos.)	3,47,42,191 (3,30,08,388)
(iv) Motors	4,02,510 Nos. (2,52,930 Nos.)	6,55,24,472 (4,07,54,613)
(v) Miscellaneous	N.A.	12,16,05,371 (11,79,08,031)
(vi) For Halogen Bulbs	N.A.	9,91,77,545 (8,95,58,216)
(vii) For Machine Building Division	N.A.	59,25,222 (67,03,914)
(viii) For Dies & Moulds	N.A.	12,50,000 (18,27,229)
(ix) For Lens Division	N.A.	N.A. (44,58,428)
TOTAL		<u>43,62,09,074</u> <u>(39,13,66,693)</u>

	(Nos.)	(Value in Rs.)
6. Purchase of Bought out Finished Goods Exported (Head Lamps, Sealed Beams, Horns, Reflectors & Bulbs etc.)	3,75,380 (3,71,200)	23,95,590 (23,43,744)
7. (a) Purchase of Bought out Finished Goods Sold (Domestic) Bulbs, Components, Capsules, Headlamp Spares	13,56,470 (12,34,339)	3,69,83,306 (3,50,15,448)
(b) Purchase of Bought out Finished Goods Sold (Domestic) M.S. Sariya, Channel, Pipe, Angle etc.	NIL (773.38 M.T.)	NIL (3,45,50,885)
(c) Purchase of Bulb & Headlamp (Trading Division)	47,36,107 (10,72,315)	16,72,26,882 (4,90,97,057)



8. PRODUCTION :	Quantity
Particulars	(Nos.)
(i) Head Lamps	33,08,042 (32,76,259)
(ii) Reflectors	Nil (Nil)
(iii) Sealed Beams	56,026 (68,986)
(iv) Miscellaneous	1,73,271 (1,70,623)
(v) Halogen Bulbs & Capsules	65,87,879 (58,82,270)
(vi) Dies & Moulds	71 (144)
(vii) Machine & Parts	518 (433)
(viii) Lens & Glass Division	Nil (4,90,488)
TOTAL	1,01,25,807 (98,89,203)

9. STOCK OF FINISHED GOODS :

	CLOSING STOCK		OPENING STOCK	
	QUANTITY (NOS.)	VALUE (RS.)	QUANTITY (NOS.)	VALUE (RS.)
(i) Head Lamps	51,677 (97,600)	43,58,658 (1,09,89,793)	97,600 (52,481)	1,09,89,793 (45,91,035)
(ii) Reflectors	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(iii) Sealed Beams	258 (4,036)	27,830 (3,76,803)	4,036 (3,000)	3,76,803 (3,03,837)
(iv) Miscellaneous	7,074 (3,418)	4,94,942 (1,74,462)	3,418 (2,460)	1,74,462 (1,05,173)
(v) Duty Paid Finished Goods (Head lamps & Components)	1,916 (1916)	Nil (Nil)	1,916 (1916)	Nil (Nil)
(vi) Duty Paid Finished Goods (Halogen bulb)	220 (220)	Nil (Nil)	220 (220)	Nil (Nil)
(vii) Halogen Bulbs & Capsules	2,59,669 (2,30,270)	51,08,768 (47,23,299)	2,30,270 (96,881)	47,23,299 (7,04,837)
(viii) Halogen Bulbs (Goods in Transit)	-- (--)	-- (--)	-- (1,84,932)	-- (51,30,088)
(ix) Stock of Trading Goods	9,344 (8,200)	2,56,244 (2,46,620)	8,200 (77,080)	2,46,620 (22,75,187)
(x) Trading Division	36,492 (71,824)	14,25,559 (28,64,291)	71,824 (Nil)	28,64,291 (Nil)
	<u>3,66,650</u> (4,17,484)	<u>1,16,72,001</u> (1,93,75,268)	<u>4,17,484</u> (4,18,970)	<u>1,93,75,268</u> (1,31,10,157)

10. AUDITORS REMUNERATION PAID/PAYABLE DURING THE YEAR

	(Rs.)
(i) For Audit Fees	1,50,000 (1,00,000)
(ii) For Tax Audit fees	30,000 (25,000)
(iii) For Other Services	1,04,000 (1,41,720)

11. (a) The Company has paid/provided Directors' Remuneration during the year as detailed below :

	(Rs.)
(i) Salaries	28,80,000
H.R.A.	<u>7,80,000</u>
(ii) Contribution to Provident Fund	36,60,000 (51,75,000)
(iii) Value of perquisites	37,440 (46,800)
	6,31,982 (7,04,854)

(b) The Company has been advised that the computation of net profit for the purpose of calculation of Director's Remuneration under section 349 of the Companies Act, 1956 need not be enumerated since no commission has been paid to the Directors under section 198 and section 309 of the Companies Act, 1956

12. a) Debts, Loans and Advances due by Firms or Private Companies in which Directors are interested

	(Rs.)
(i) Autolite Marketing P. Ltd.	6,72,887 (33,96,585)
(ii) Autopal Glass P. Ltd.	10,00,000 (10,00,000)

b) Maximum Amount due by Directors at any time during the year

	(Rs.)
D.P. Gupta	Nil (9,49,257)
Y.P. Gupta	Nil (7,29,122)
J.P. Gupta	Nil (9,50,404)
M.P. Gupta	1,30,226 (23,80,712)
R.P. Gupta	Nil (11,95,977)

Autolite (India) Limited

13. Details of Licenced, Installed Capacity and Production

	(A) Auto Head Lamps Tail Lamps, Sealed Beams, Reflectors and their spares.	(B) Halogen Lamps Halogen Bulbs, Diachronic Mirror Halogen Lamps and Halogen Sealed Beams
	(Nos.)	(Nos.)
(i) Licensed Capacity per annum	N.A. (N.A.)	3,50,00,000 (3,50,00,000)
(ii) Installed Capacity Per Annum	66,00,000 (66,00,000)	90,00,000 (90,00,000)
(iii) Production	35,37,339 (35,15,868)	65,87,879 (58,82,270)

14. The Company has not made any remittance in foreign currency on account of dividend during the year and does not have information as to the extent to which remittance in foreign currency on account of dividend have been made by or on behalf of non-resident shareholders. The particulars of dividend (after tax) on account of non-resident shareholders are as under :

(i) No. of Non-resident shareholders	40 (43)
(ii) No. of shares held by them	2,88,266 (2,81,304)
(iii) Amount of Net Dividend	NIL (NIL)

15. There are no Micro, Small & Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

16. Value of Imports (CIF) :	(Rs.)
Raw Materials	3,26,58,485 (2,53,41,151)
Capital Goods	44,05,058 (NIL)

17. Earning in Foreign Currency : (Rs.)

Export at FOB Value	24,29,97,333 (24,72,76,020)
---------------------	--------------------------------

18. The Company has a separate division for manufacturing Machines, Dies & Moulds. In the absence of necessary records the costing of such machines, dies & moulds for Rs.1,46,42,806/- has been evaluated by Chartered Engineer & certified by the Management on which we have relied upon. These machines, dies & moulds have been shown as Inter unit Sales in respective divisions and transferred to Fixed Assets as Captive Consumption.

19. Pursuant to the AS-29 – Provisions, Contingent Assets and Contingent Liabilities, the disclosures relating to the provisions made in the accounts for the year ended 31st March 2010 are as follows :

Provisions	Current Year	Previous Year
Gratuity		
Opening Balance	10681239	10859621
Additions during the year	2663413	2096227
Utilizations & Reversals during the year	890290	2274609
Closing balance	12454362	10681239
Leave Encashment		
Opening Balance	3392770	0
Additions during the year	454222	3471514
Utilizations & Reversals during the year	507605	78744
Closing balance	3339387	3392770
Income Tax (MAT)		
Opening Balance	700000	11975000
Additions during the year	Nil	700000
Utilizations & Reversals during the year	700000	11975000
Closing balance	Nil	700000



Fringe Benefit Tax

Opening Balance	1300000	4136639
Additions during the year	Nil	1300000
Utilizations & Reversals during the year	1300000	4136639
Closing balance	Nil	1300000

Doubtful Debts

Opening Balance	33046009	33204120
Additions during the year	122690	23155
Utilizations & Reversals during the year	7262423	181266
Closing balance	25906276	33046009

Doubtful Loans & Advances

Opening Balance	39791938	35179263
Additions during the year	1365049	4803986
Utilizations & Reversals during the year	2574189	184111
Closing balance	38589998	39799138

Diminution in value of Investments

Opening Balance	56691218	57121218
Additions during the year	Nil	0
Utilizations & Reversals during the year	47145640	430000
Closing balance	9545578	56691218

20. Impairment of Assets

In line with rapid technological changes in Automotive sector, the company has also been changing its product mix to ensure better quality to its customers and higher margin products. In the changed scenario, Glass project of the company has become redundant for the company.

The Company has obtained a valuation report of Glass Project from approved valuer as on 31.3.2009. The management was of the view that the carrying amount of Glass project did not exceeds the recoverable amount. Hence no

provision for Impairment of Assets was required as on 31.3.2009. During the year 2009-10 The Company has disposed off assets of glass project and suffered a loss of Rs. 90.13 Lacs which is shown as Extra ordinary item in the profit & loss account.

21. Total value of Raw Material and components consumed.

	31 st March 2010		31 st March 2009	
	Value (Rs.)	%	Value (Rs.)	%
Imported	3,59,69,227	8.24	2,74,47,901	7.01
Indigenous	40,02,39,847	91.76	36,39,18,792	92.99
	<u>43,62,09,074</u>	<u>100.00</u>	<u>39,13,66,693</u>	<u>100.00</u>

22. Expenditure in Foreign Currencies :

(i) Travelling	9,70,069
	(10,33,441)
(ii) Commission	41,56,090
	(62,91,895)
(iii) Others	4,77,721
	(9,39,788)

23. Important Performance Ratios :

(i) Sales / Fixed Assets	4.17 : 1
	(3.01 : 1)
(ii) PBIT / Average Capital Employed %	6.46
	(7.04)
(iii) Return on Average Net Worth %	N.A.
	(N.A.)
(iv) Profit after Tax/Sales %	N.A.
	(N.A.)

24. The Company did not have convertible/ partly convertible debentures as on 31st March 2010

Autolite (India) Limited

25. Defined Benefit Plans (Unfunded)-As per actuarial valuation as on 31st March 2010

I. Amounts to be recognized in Balance Sheet	Gratuity	Leave Encashment
Present value of funded obligations	-	-
Fair Value of plan assets	-	-
Present value of unfunded obligations	12454362 (10681239)	3339387 (3392770)
Unrecognized past service cost	-	-
Net liability	12454362 (10681239)	3339387 (3392770)
Amounts in the Balance Sheet:		
Liabilities	12454362 (10681239)	3339387 (3392770)
Assets	-	-
Net Liability	12454362 (10681239)	3339387 (3392770)

II. Expenses recognized in Income Statement

Current Service cost	981848 (936207)	413272 (1258491)
Interest on obligation	881202 (667033)	279904 (114508)
Expected return on plan assets	-	-
Net actuarial losses (gains) recognized in the year	800363 (492987)	-238954 (571734)
Past service cost	-	-
Losses (gains) on curtailments and settlement	-	-
Expenses recognized in P & L	2663413 (2096227)	454222 (1944733)

III. Table Showing Change in Benefit Obligation

Opening Defined Benefit Obligation on 1.4.2009	10681239 (8893772)	3392770 (1526781)
Service Cost for the year	981848 (936207)	413272 (1258491)
Interest cost for the year	881202 (667033)	279904 (114508)

Actuarial losses (gains)	800363 (492987)	-238954 (571734)
Benefits paid	-800290 (308760)	-507605 (78744)
Closing defined benefit obligation on 31.3.2010	12454362 (10681239)	3339387 (3392770)

IV. Tables of Fair Value of Plan Assets

Opening fair value of plan assets	-	-
Expected return	-	-
Actuarial gains and (Losses)	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	-	-
Closing balance of fund	-	-

V. Tables showing Category of Plan Assets

Government of India Securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Funds Management by Insurer	-	-
Bank balance	-	-

VI. Principal Actuarial Valuation

Discount Rate as on 31.3.2009	8.25%	7.50%
Expected return on plan assets at 31.3.2009	-	-
Annual increase in Salary costs	6.00%	6.00%



26. SEGMENT INFORMATION

A. Information about Business Segment - Primary

(Rs. in Lacs)

PARTICULARS	Head Lamp	Halogen Bulb	Traded Goods	Dies & Moulds	Machine Building Division	Un-allocable	Total
1. REVENUE							
External	4579.12	420.26	2253.38	0.50	25.00	-	7278.26
Inter Segment	671.21	928.95	0.00	49.23	97.20	-	1746.59
Total	5250.33	1349.21	2253.38	49.73	122.20	-	9024.85
2. Result							
Segment Result	126.80	32.82	151.93	-	13.61	-	325.16
Unallocated Expenses	-	-	-	-	-	(60.25)	(60.25)
Operating Profit/(Loss)	-	-	-	-	-	-	264.91
Interest Expenses	-	-	-	-	-	(230.73)	(230.73)
Dividend & Other Income	-	-	-	-	-	20.54	20.54
Provision for doubtful Debts, Loans & Advances	-	-	-	-	-	(14.88)	(14.88)
Extra Ordinary Items	-	-	-	-	-	(90.13)	(90.13)
Prior Period Items	-	-	-	-	-	(46.11)	(46.11)
Provision for Taxation	-	-	-	-	-	-	-
Total Profit/(Loss) for the year	126.80	32.82	151.93	-	13.61	(421.56)	(96.40)
3. Other Information							
Segment Assets	5202.56	1032.84	16.82	6.09	142.53	30.08	6430.92
Segment Liabilities	3309.12	216.1	-	-	11.26	-	3536.48
Capital Expenditure	333.38	170.21	-	-	0.57	-	504.16
Depreciation	259.48	66.16	-	-	0.73	60.25	386.62

B. Secondary Segment – Geographical by Customer

	Rs. in lacs
1. Segment Revenue	
Within India	6546.57
Outside India	2478.28
Total	9024.85
2. Carrying cost of Assets by Location of Assets	
Within India	6269.09
Outside India	161.83
Total	6430.92

3. Addition to Assets

Within India	504.16
Outside India	-
Total	504.16

C. Other Disclosure

1. Segments have been identified in line with the Accounting Standard AS-17 "Segment Reporting" (AS-17) taking into account the Organization Structure as well as the differing risks and returns.

Autolite (India) Limited

2. Company has disclosed business segment as the primary segment.

3. Composition of the business segment :

Name of Segment	Comprises of
a. Head Lamps	Head lamp, Sealed beam, Reflectors, Tail Lamps, Indicator Lamps and Miscellaneous lamps.
b. Halogen Bulbs	Halogen Bulbs, Capsules & Bulb Components.
c. Traded Goods	Automotive Bulbs, Capsules & Components.
d. Machine Building Division	Machines Fabrication work.
e. Dies & Moulds Division	Dies & Moulds manufacturing.

4. Inter segment revenues are recognized at sale price.

5. The Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

6. The Segment revenue in the geographical segment considered for disclosure are as follows:

a. Revenue within India includes sales to customers located within India and earnings in India.

b. Revenue outside India includes sales to Customers located outside India and earnings outside India.

27. EARNING PER SHARE

Particulars	AS ON 31.03.2010		AS ON 31.03.2009	
	Basic	Diluted	Basic	Diluted
(i) Weighted No. of Shares	9456241	9570820	9002542	9381380
(ii) Net Profit Rs. (Lakhs) (without Extra Ordinary Items)	54.72	54.72	38.35	38.35
(iii) Earning per Share in Rs. (without Extra Ordinary Items)	0.58	0.57	0.42	0.41
(iv) Net Profit Rs. (Lakhs) (with Extra Ordinary Items)	(69.42)	(69.42)	13.86	13.86
(v) Earning per Share in Rs. (with Extra Ordinary Items)	(0.73)	(0.72)	0.16	0.15
(vi) Nominal Value of Share in (Rs).	10	10	10	10

28. Related Party Information

1. Relationship.

a. Subsidiary of the company
Autopal Inc, USA.

b. Enterprises in which the company is having substantial interest/significant influence directly or indirectly.
Autopal Industries Ltd
Alwar Auto Pvt.Ltd

c. Key Management Personnel

Shri D.P. Gupta (Chairman & Managing Director)
Shri Y.P. Gupta (Whole Time Director)
Shri J.P. Gupta (Whole Time Director)
Shri M.P. Gupta (Whole Time Director)
Shri R.P. Gupta (Whole Time Director)
Shri Amit M. Gupta (Whole Time Director)
Shri Adarsh M. Gupta (Whole Time Director)



d. Relatives of Key Management Personnel with whom transactions have taken place.

Shri Adarsh M. Gupta

Smt. Lata Gupta

Smt. Laxmi Gupta

Smt. Anubha Anup Gupta

Smt. Sheela Gupta

Smt. Uma Gupta

e. Enterprises over which person described in (c) or (d) above are able to exercise significant influence, where transaction has taken place.

Anusika Industries Ltd.

Palsoft Infosystems Ltd.

Autolite Marketing Pvt. Ltd.

Mamraj Sons (Auto) Ltd.

Autolite Manufacturing Ltd.

Autopal Glass Pvt. Ltd.

Seth Chittarnal Tarachand Mahawar Vaish Memorial Charitable Trust

Autolite (India) Limited

2. TRANSACTION WITH RELATED PARTIES

(Rs. in Lacs)

PARTICULARS	RELATED PARTIES REFERRED IN ABOVE				
	1 (a)	1 (b)	1 (c)	1 (d)	1 (e)
PURCHASE :					
Goods & Material	--	62.41	--	--	587.25
Fixed Assets	--	--	--	--	164.23
SALES :					
Goods, Material & Services	21.97	--	--	--	2453.33
Sale of Assets	--	--	--	--	92.00
EXPENSES :					
Director's Remuneration	--	--	44.25	--	--
Exp. recharged by other parties	--	3.19	--	--	21.61
Job work charges	--	--	--	--	209.62
Discount/Commission	--	--	--	--	224.60
Interest Paid	--	--	--	--	0.84
Donation	--	--	--	--	3.86
Salary	--	--	--	13.48	--
Rent Paid	--	5.00	--	--	--
Gratuity	--	--	14.00	--	--
Leave encachment	--	--	9.00	--	--
Ex-gratia	--	--	12.06	--	--
INCOME :					
Rent	--	--	--	--	6.00
Exp. recharged to other parties	--	--	--	--	60.81
FINANCE & INVESTMENT :					
Investment sold	--	--	5.41	8.80	--
Loan/Advance given	--	194.22	22.28	14.88	202.65
Loan/Advance Repayment	--	--	12.55	91.46	3.38
Advances recovered	--	65.21	20.91	14.50	52.24
Unsecured Loan received (Net)	--	--	--	78.00	--
OUTSTANDING :					
Payable	0.50	--	0.38	0.43	1.70
Receivable	--	1610.40	1.30	0.82	982.58
Guarantees given by the Company	--	--	--	--	--
Personal Guarantees	--	--	645	--	--
Provision for Doubtful Debts/ Loan / Advances	--	408.86	--	--	93.62



29. DISCLOSURE REGARDING LEASE

1. Finance Lease

There is no Finance Lease taken by the Company during the year.

2. Operating Lease

- a) The total of future minimum lease payment under non cancelable operating leases for year : Within one year.
- b) Lease payments recognized in the statement of profit and loss for the year ended on 31.03.2010 Rs.5,00,000/- (Rs..7,50,000/-).
- c) The Company has not given any assets on sub-lease during the year.

30. ACCOUNTING FOR TAXES ON INCOME

In spite of Profit for the year of Rs.54.72 Lacs Deferred Tax Assets are not recognized on account of unabsorbed depreciation and carry forward of losses and other timing differences under tax laws. In the view of the Management as there is no convincing evidence to support that the sufficient future taxable income will be available against which deferred tax assets can be realized. In the absence of information we are unable to quantify the impact of Deferred Tax/Liability on Profit and Loss

Account and Balance Sheet.

31. The Company has credited Rs.180.78 Lacs in 2008-09 and Rs. 234.15 Lacs in 2009-10 for Export Incentives and other Incentives in Profit & Loss Account on estimated basis which are related to earlier years as well as for current year. The concerned department has not accepted the claim due to non furnishing of necessary grounds and details. The company is in the process to provide desired details and explanations. Further, no payment has been received during the 2009-10 against export incentives of Rs. 180.78 Lacs credited in 2008-09.
32. In the opinion of the management and to the best of their knowledge and belief the value of realization of advances and other Current Assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
33. The Balances of Suppliers, Sundry Debtors, and Loans & Advances are as per books of accounts and subject to confirmation and reconciliation with respective parties.
34. Figures for previous year have been regrouped and rearranged and reclassified wherever considered necessary.
35. Figures in brackets denote for previous year.

SCHEDULE 'A' TO 'W' ANNEXED TO AND FORMING PART OF THE ACCOUNTS.

Sd/- (M.P. Gupta) Managing Director	Sd/- (Adarsh M. Gupta) Director	Sd/- (M.S. Shekhawat) General Manager (F)	For H.C. Garg & Co. Chartered Accountants FRN 000152C
Place : Jaipur Date : 29.05.2010	Sd/- (Pawan Agarwal) Sr.Manager Accounts	Sd/- (Vishal Agarwal) Company Secretary	Sd/- (MADHUKAR GARG) Proprietor M. No. 070162

Autolite (India) Limited

ADDITIONAL INFORMATION PURSUANT TO PART IV OF THE SCHEDULE VI OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED 31ST MARCH, 2010

1. Registration details :

Registration No. 1738 State Code 17
Balance Sheet Date 31032010

2. Capital Raised during the year : (Amount in Rs. Thousands)

Public Issue NIL Right Issue NIL
Bonus Issue NIL Private placement 00000

3. Position of Mobilisation and Deployment of Fund : (Amount in Rs. Thousands)

Total Liabilities 0782177 Total Assets 0782177
Source of Funds
Paid-up Capital 0094635 Reserve & Surplus 0497349
Secured Loans 0139172 Unsecured Loan 0051021
Application Money 0000000
Application of Funds
Net Fixed Assets 0216429 Investment 0003008
Net Current Assets 0264347 Misc. Expenditure 0004482
Accumulated Losses 0293911

4. Performance of Company (Amount in Rs. Thousands) :

Total Income 0917550 Total Expenditure 0912078
Profit before tax 0005472 Loss after tax 0009640
Earning per Share in Rs. -0.73
Dividend rate % 00

5. Generic Names of Four Products/Services of Company (as per monetary terms)

1. Item Code No. (ITC Code) 85122010
Product Description AUTOMOTIVE HEADLAMPS
2. Item Code No. (ITC Code) 85392120
Product Description HALOGEN BULBS
3. Item Code No. (ITC Code) 84751000
Product Description MACHINES
4. Item Code No. (ITC Code) 82073000
Product Description DIES & MOULDS

Sd/- (M.P. Gupta) Managing Director	Sd/- (Adarsh M. Gupta) Director	Sd/- (M.S. Shekhawat) General Manager (F)	For H.C. Garg & Co. Chartered Accountants FRN -000152C
Place : Jaipur Date : 29.05.2010	Sd/- (Pawan Agarwal) Sr. Manager Accounts	Sd/- (Vishal Agarwal) Company Secretary	Sd/- (MADHUKAR GARG) Proprietor M.NO. 070162



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

	Rs. in Laacs	Rs. in Laacs
	Year ended 31 st March 10	Year ended 31 st March 09
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/Loss before tax	16.84	7.22
Depreciation	386.62	419.58
Interest	231.58	266.79
Miscellaneous Expenses written off	8.23	3.05
Transfer from Capital reserve	(0.04)	(0.05)
Profit / Loss from sale of Fixed Assets	(0.13)	(0.63)
Dividend	(0.01)	(0.01)
Prov. for Doubtful debts, Loans & Advances	14.88	51.12
Profit on sale of investment	(1.89)	(5.00)
Provision for Gratuity & Leave encashment	31.18	40.41
Gratuity & Leave encashment paid	(13.98)	(3.88)
Cash flow before working capital changes	673.28	778.60
Trade & other receivables	(562.19)	279.48
Inventories	80.23	19.01
Trade payables	72.84	(483.40)
Cash generation from operations	264.16	593.69
Direct taxes paid	(19.47)	(123.85)
Deferred Revenue Expenditure	(17.99)	(25.95)
Net Cash flow from Operating Activities	226.70	443.89
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase/acquisition of fixed assets	(513.46)	(379.90)
Sale of fixed assets	311.32	40.01
Sale of investment	14.20	10.00
Interest received	23.52	5.19
Dividend received	0.01	0.01
Net Cash Used In Investment Activities	(164.41)	(324.69)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	0.00	10.12
Share Application Money	-	97.38
Increase/Decrease in borrowings	162.60	97.71
Interest paid	(256.72)	(258.35)
Net cash from financing activities	(94.12)	(53.14)
Net increase/(Decrease) in cash and cash equivalents	(31.83)	66.06
Opening balance of cash and cash equivalents	226.99	160.93
Closing balance of cash and cash equivalents	195.16	226.99

Sd/- (M.P.Gupta) Managing Director	Sd/- (Adarsh M. Gupta) Director	Sd/- (Pawan Agarwal) Sr. Manager Accounts	Sd/- (M.S.Shekhawat) General Manager (F)	Sd/- (Vishal Agarwal) Company Secretary
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AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Autolite (India) Limited for the year ended 31st March, 2010, The statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 and is based on and is in agreement with the corresponding Profit and Loss account and Balance-sheet of the Company covered by our report dated 29.05.2010 to the members of the company.

Place : Jaipur
Date : 29.05.2010

For H.C. Garg & Co.
Chartered Accountants
FRN-000152C
Sd/-
(MADHUKAR GARG)
Proprietor
M.NO. 070162

Autolite (India) Limited

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,

Autopal Inc.

Plano, Texas

We have audited the accompanying balance sheet of Autopal Inc. (A Delaware Corporation) as of March 31, 2010 and the related statements of operations, changes in shareholders' equity and cash flows for the year then ended, in accordance with standards established by the American Institute of Certified Public Accountants. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion of these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as, evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Autopal Inc. as of March 31, 2010, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principals generally accepted in the United States of America.

Dallas, Texas

May 17, 2010

Sd/-

Thomas & Associates, P.C.

AUTOPAL, INC.

(A Delaware Corporation)

BALANCE SHEET AS AT MARCH 31

	2010	2009
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash at Bank		
Checking	32,471	40,293
Investment Account	30,542	15,509
Account receivable, trade	11,864	31,288
Advance Autolite	26,455	0
Inventory	29,506	36,953
TOTAL CURRENT ASSETS	<u>130,839</u>	<u>124,043</u>
OTHER ASSETS		
Equipment	4,905	4,905
Accumulated Depreciation	(4,905)	(4,905)
Organization Cost	849	849
Accumulated amortization	(849)	(849)
TOTAL OTHER ASSETS	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>130,839</u>	<u>124,043</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable		
Trade Creditors	5,237	15,152
Federal Income tax	470	568
Parent Company	22,955	2,846
TOTAL CURRENT LIABILITIES	<u>28,662</u>	<u>18,566</u>
STOCKHOLDER'S EQUITY		
Common Stock ; no par value,	60,000	60,000
Authorized 1,500 Shares;		
Issued and Outstanding 6 shares		
Retained Earnings	42,177	45,477
TOTAL STOCKHOLDER'S EQUITY	<u>102,177</u>	<u>105,477</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>130,839</u>	<u>124,043</u>

STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31

	2010	2009
	\$	\$
REVENUE		
Sales, net	95,382	144,676
COST OF GOODS SOLD		
Beginning inventory	36,953	33,486
Add : Purchases & Freight	51,531	108,237
Less : Ending Inventory	(29,506)	(36,953)
Total Cost of Goods sold	58,978	104,770
Gross Profit	<u>36,404</u>	<u>39,906</u>
GENERAL AND ADMINISTRATIVE EXPENSES		
Rent and Storage	4,099	4,089
Telephone	3,831	3,939
Accounting & Audit	2,875	850
Taxes-other than income tax	1,187	1,135
Office Expenses	3,089	3,007
TOTAL GENERAL AND ADMN. EXP.	<u>15,081</u>	<u>13,020</u>
SALES EXPENSES		
Commissions	11,489	14,689
Trade show, trade publication and dues	4,990	5,090
Custom brokerage, bill of lading, demurrage and bank charges	1,485	2,166
Travel and entertainment	356	1,511
TOTAL SALES EXPENSES	<u>18,320</u>	<u>23,456</u>
TOTAL EXPENSES	<u>33,401</u>	<u>36,476</u>
Income/ (Loss) from operations	3,303	3,430
OTHER INCOME (EXPENSES)		
Interest Income	35	328
NET OTHER INCOME	<u>35</u>	<u>328</u>
Income / (Loss) before federal income taxes	3,038	3,758
Federal income taxes	(470)	(568)
NET INCOME (LOSS)	<u>2,568</u>	<u>3,190</u>



NOTICE

Notice is hereby given that the Annual General Meeting of the members of AUTOLITE (INDIA) LIMITED will be held at E-526-530, RIICO Industrial Area, Sitapura, Jaipur (Rajasthan) on Tuesday, September 28; 2010 at 11.00 AM to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31, 2010 and Profit and Loss Account for the financial year ended on that date and the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Shri Gauri Shankar Das who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint a Director in place of Shri Snehil Kumar who retires by rotation and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Shri Rajendra Singh Mehta who retires by rotation and being eligible, offers himself for re-appointment;
5. To appoint M/s H.C. Garg & Co., Chartered Accountants bearing FRN – 000152C as the Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the board of directors to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT Sh. Amit Mahipal Gupta, who was appointed as an Additional Director of the company by the Board of

Directors and who holds office up to the date of this Annual General Meeting pursuant to the provisions of section 260 of the Companies Act, 1956 and is eligible for reappointment and the company has received notice in writing pursuant to the provisions of section 257 of the Companies Act, 1956 from a member of the company proposing his candidature for the office of Director of the company, be and is hereby appointed a Director of the company, liable to retire by rotation.”

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Sh. Adarsh Mahipal Gupta, who was appointed as an Additional Director of the company by the Board of Directors and who holds office up to the date of this Annual General Meeting pursuant to the provisions of section 260 of the Companies Act, 1956 and is eligible for reappointment and the company has received notice in writing pursuant to the provisions of section 257 of the Companies Act, 1956 from a member of the company proposing his candidature for the office of Director of the company, be and is hereby appointed a Director of the company, liable to retire by rotation.”

8. To consider and if thought fit to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 and other applicable provisions, if any, read with Schedule XIII to the Companies Act, 1956 and subject to such approvals, consents,

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permissions and sanctions of the Central Government and all other appropriate authorities, institutions or bodies and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions which the Board of Directors of the Company (hereinafter referred to as 'the Board' which expression shall be deemed to include "Remuneration Committee" constituted by the Board to exercise its powers including the powers conferred by this resolution) is hereby authorized to accept and in terms of the resolution passed by the Remuneration Committee, the consent and approval of the Company be and is hereby accorded for appointment of Shri Mahi Pal Gupta as Managing Director of the company for a period of 5 years with effect from January 7, 2010 on the terms and conditions including remuneration as set out herein below in the Explanatory Statement to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Shri Kuldeep Kumar Gupta, Director and / or Shri Vishal Agarwal, Company Secretary of the Company be and is hereby authorised on behalf of the Board to do all such acts, deeds, things, matters and to execute and sign such documents, papers, undertaking, deeds, declaration, application in specified form to the Central Government and to take all such steps as may be deemed necessary or desirable or to settle any question or difficulty that may arise including authority to amend, vary, modify the same as may be considered desirable or expedient by the Central Government or any such authority.

9. To consider and if thought fit to pass, with

or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 and other applicable provisions, if any, read with Schedule XIII to the Companies Act, 1956 and subject to such approvals, consents, permissions and sanctions of the Central Government and all other appropriate authorities, institutions or bodies and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions which the Board of Directors of the Company (hereinafter referred to as 'the Board' which expression shall be deemed to include "Remuneration Committee" constituted by the Board to exercise its powers including the powers conferred by this resolution) is hereby authorized to accept and in terms of the resolution passed by the Remuneration Committee, the consent and approval of the Company be and is hereby accorded for the appointment of Shri Amit Mahipal Gupta as Whole-Time Director of the company for a period of 5 years with effect from January 7, 2010 without any remuneration till the default of Fixed Deposit is subsisting in the company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Shri Kuldeep Kumar Gupta, Director and / or Shri Vishal Agarwal, Company Secretary of the Company be and is hereby authorised on behalf of the Board to do all such acts, deeds, things, matters and to execute and sign such documents, papers, undertaking, deeds, declaration, application in specified form to the Central Government and to take all such steps as may be deemed necessary or desirable or to settle any question or difficulty that may arise



including authority to amend, vary, modify the same as may be considered desirable or expedient by the Central Government or any such authority.

10. **To consider and if thought fit to pass, with or without modification(s) the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 and other applicable provisions, if any, read with Schedule XIII to the Companies Act, 1956 and subject to such approvals, consents, permissions and sanctions of the Central Government and all other appropriate authorities, institutions or bodies and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions which the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which expression shall be deemed to include “Remuneration Committee” constituted by the Board to exercise its powers including the powers conferred by this resolution) is hereby authorized to accept and in terms of the resolution passed by the Remuneration Committee, the consent and approval of the Company be and is hereby accorded for the appointment of Shri Adarsh Mahipal Gupta as Whole-Time Director of the company for a period of 5 years with effect from January 7, 2010 without any remuneration till the default of fixed deposit is subsisting in the company. **RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Shri Kuldeep Kumar Gupta, Director and / or Shri Vishal Agarwal, Company Secretary of the Company be and is hereby authorised on behalf of the Board to do all such acts, deeds, things,

matters and to execute and sign such documents, papers, undertaking, deeds, declaration, application in specified form to the Central Government and to take all such steps as may be deemed necessary or desirable or to settle any question or difficulty that may arise including authority to amend, vary, modify the same as may be considered desirable or expedient by the Central Government or any such authority.

11. **To consider and if thought fit, to pass the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 314(1)(b) and other applicable provisions, if any, of the Companies Act, 1956, consent of the company be and is hereby accorded to increase in total Monthly remuneration of Smt. Sneha Goel, who was designated as Officer – Imports upto a limit of Rs. 49,000/- (Rupees Forty Nine Thousand only) subject to the periodical review by the Board of directors.”

12. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder, Listing Agreement with Stock Exchanges, Securities and Exchange Board of India (Delisting of Equity Shares) Guidelines, 2009, as amended from time to time, (hereinafter referred to as the “Delisting Guidelines”) and all other applicable laws, rules, regulations and guidelines and subject to such conditions and modifications, as may be prescribed or

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imposed by any authority while granting such approvals, consent, permission or sanction, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include Managing Director or any Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution), the consent of the Company, be and is hereby accorded to the Board for voluntary de-listing of the equity shares of the Company from all or any of the Stock Exchanges: Jaipur Stock Exchange Limited, Jaipur, and Madras Stock Exchange Ltd., Chennai as the Board may decide."

13. To consider and if thought fit, to pass the following resolution as a Special Resolution: "RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the company be and is hereby accorded to the Board of Directors for the disposal of Non-Performing Assets of the company.

RESOLVED FURTHER THAT the Board of Directors of the Company (which shall include a Committee of Directors that may be constituted for this purpose) be and is hereby authorized to complete the formalities in connection with disposal of Non-Performing Assets with such modifications as may be required by any of the concerned authorities of which it may deem to be in the interest of the company and do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in the interest of the company.

By order of the Board
Sd/-

Place : Jaipur
Date : 14.08.2010

(Vishal Agarwal)
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the special business is annexed hereto.
4. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days between 10.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, September 22, 2010 to Tuesday, September 28, 2010 (Both days inclusive).
6. Members requiring information on the accounts are requested to write to the Company at least seven days before the date of the meeting to enable the company to furnish the information.
7. Members are requested to bring their copies of Annual Report at the Meeting.
8. Members are requested to lodge the instrument of transfer/ transmission of shares at the registered office of the company or at the office of Registrars & Transfer Agents viz. M/s MCS Limited Sri Venkatesh Bhavan, F - 65, Okhla Industrial Area Phase - I, New Delhi - 110 020 and to inform the company/ Registrars & Transfer Agents, any change in their addresses immediately so as to enable the Company to dispatch any future communication at their correct addresses.



**EXPLANATORY STATEMENT PURSUANT
TO SECTION 173 (2) OF THE COMPANIES
ACT, 1956**

ITEM NO. 6 & 9

Shri Amit Mahipal Gupta was appointed as an Additional Director by the Board in its meeting held on January 7, 2010, to hold office as such till the conclusion of this Annual General Meeting. The company has received notice from a member proposing the candidature of Shri Amit Mahipal Gupta for the office of Director. He is the son of Shri Mahi Pal Gupta who is Managing Director of the Company.

Mr. Amit Mahipal Gupta holds a Bachelor's Degree in Engineering from MIT, Aurangabad & is the brainchild for technology in the group. He has vast experience in Product Development, CAD / CAM / CAE. He has been trained in CAD / CAM from Autodesk (USA) & PTC (USA). He has also been trained for Lab view Automation, PLC Controllers, Robotics & Vision Systems by National Instruments (USA). Under his leadership many new products got unfolded in Autopal Group. He has extensively travelled World over for Technology, Market Surveys and Plant Visits. He has deep knowledge of the lighting source & fixtures & has been instrumental force behind Development of Metal Halide Lamps, New Generation Halogen Bulbs, Special Purpose Machines & Multi Surface Reflector Lamps. He has one patent registered under his name for Head Light Leveling. He is also Managing Director of the Software Development Company M/s. Palsoft Infosystems Limited. He has 10 years experience in Manufacturing & Exports of Automotive Head Lamps, Halogen Bulbs & Compact Fluorescent Lamps. He is trained for Lean Six Sigma & World Class Manufacturing Practices by Confederation of Indian Industry

(CII) & Automotive Components Manufacturing Association (ACMA). He plays a instrumental part in strategy preparation for the group. Currently his responsibilities include Manufacturing of Halogen Lamps, Compact Fluorescent Lamps, Special Purpose machines (CNC) & Also Product development and technical issues of entire Autopal Group. He is also responsible for International Sourcing initiatives and was instrumental for setting up Company Sourcing office in Shanghai (China)

None of the Directors except Shri Mahi Pal Gupta, Amit Mahipal Gupta and Adarsh Mahipal Gupta themselves are interested in the proposed resolution at item no. 6 & 9.

ITEM NO.7 & 10

Shri Adarsh Mahipal Gupta was appointed as an Additional Director by the Board in its meeting held on January 7, 2010, to hold office as such till the conclusion of this Annual General Meeting. The company has received notice from a member proposing the candidature of Shri Adarsh Mahipal Gupta for the office of Director. He is the son of Shri Mahi Pal Gupta who is Managing Director of the Company.

Mr. Adarsh Mahipal Gupta holds a Bachelor's Degree in Commerce from University of Rajasthan & Post Graduate Diploma in Business Administration from NMIMS, Mumbai. Since his College time he is actively involved in Family Business wherein with his brother he started Software Development business M/s. Palsoft Infosystems Limited & Trading of Auto components under the main company M/s. Autolite (India) Limited. He has 8 years experience in Manufacturing & Exports of Automotive Components. He has two patents registered under his name for Halogen Bulb Manufacturing. Mr Gupta is also the Co-Convenor of the Panel on Economic Affairs & SME's & is also State Council Member at

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Confederation of Indian Industry (CII) Rajasthan. He has extensively travelled World over for Technology, Market Surveys, Customer Visits and Plant Visits. He has taken parts in all major automotive & Technology fairs across the globe. Being the founder member of the Young Business Leaders Forum (YBLF) a wing of Automotive Components Manufacturing Association (ACMA) he is well known & respected within Indian Automotive Component Industry. He is trained for Lean Six Sigma & World Class Manufacturing Practices by CII & ACMA. He was instrumental in financial turnaround & re-engineering of the group by restructuring of Banks & FII's. Mr. Gupta is also Promoter & Managing Director of Autolite Manufacturing Limited, Having Manufacturing Facilities at Pantnagar for Automotive Lighting. He has setup the plant since inception & is fully responsible for all activities of this Company including Marketing till date. He is also responsible for Corporate Finance, Legal, Excise & Strategy Formulation of the Group. He has good relations with Export Market Customers as he attends all major trade fairs on behalf of the company and also has good personal rapport with senior executives of leading Banks, FI's & Broking Houses. None of the Directors except Shri Mahi Pal Gupta, Amit Mahipal Gupta and Adarsh Mahipal Gupta themselves are interested in the proposed resolution at item no. 7 & 10.

ITEM NO. 8

Shri Mahi Pal Gupta is appointed as Managing Director of the company for the period of five years w.e.f. January 7, 2010 after the resignation of Shri Dharam Pal Gupta from the post of Managing Director on December 31, 2009.

Shri Mahi Pal Gupta is Diploma in Mechanical

Engineering and is the main Promoter of the company. He Founded proprietorship Concern M/s. Autolite of India which grew up to the current level of M/s. Autolite (India) Limited. He has rich and vast experience of over 40 years especially in the areas of Product Development, R & D, Value Engineering, Finance & Administration etc. Under his guidance, the company developed High Intensity Forward Discharge Lamp especially for the US market and more than 120 other types of Head Lamps. He has also been instrumental in setting up an in-house R & D center equipped with some of the most sophisticated and advance equipments. He has also participated in a number of Trade Fairs and visited all major markets world over. Shri Mahipal Gupta is a senior member of Association of Electronics Manufacturing, Machining Technology Association, Forming Technology Association, Finishing Processes, Computer and Automated Systems Association of SME, USA, a member of ASM International, USA, IESNA, USA and the US National Committee of the IEC.

He himself has Developed First time in India the high energy saving Compact Fluorescent lamps (CFL), Halogen Bulbs, Electronic Transformers, Ballasts, Fixtures, HID Lamps & Special Purpose Machines. Under his guidance three public issues & numerous rights & preferential issues have taken place. 3 companies of the Group are listed in all major stock exchanges in India. He has vast experience in financial sector and has great relations at senior levels in all banks and FI's. Mr. Gupta has great administration capabilities and is a amazing motivator. His HR skills & leadership qualities are respected by all the employees and stakeholders. He is trained for Lean Six Sigma & World Class Manufacturing Practices and is the main guiding force behind these activities in the group.



Mr. Gupta commands high respect from all the customers and Suppliers and has great relationships with them. He is well regarded as the "Face of Autopal Group".

Keeping in view the aforesaid facts and role of Shri Mahi Pal Gupta in the overall growth and development of the Company, the Board of Directors at its meeting has subject to approval of the shareholders and such other approvals, consented for the appointment and payment of remuneration as set-out herein below, subject to necessary compliance and shareholders consent.

On January 7, 2010, the remuneration committee recommended the appointment of Shri Mahi Pal Gupta as Managing Director subject to the approval of Board, Shareholders and Central Government

Basic Salary: Rupees 90,000-10,000-1,30,000 per month

Commission on Net Profit: Two Percent of the Net Profit of the company for each financial year as computed under the provision of the Section 349 & 350 of the Companies Act, 1956.

Perquisites: in addition to the above, he shall be entitled to the perquisites as mentioned below, the value whereof will be restricted to an amount equal to 100% of annual Salary subject to the condition that the aggregate of salary and Perquisites shall not exceed Rs. 2,25,000/- per month.

PERQUISITES:

CATEGORY 'A'

Housing : Residential furnished accommodation (company leases) or in lieu thereof House Rent Allowance @ 60% of the salary over and above 10% payable by him.

Gas, Electricity, Water and Furnishing: the expenditure incurred by the company on Gas,

Electricity, Water and Furnishing shall be valued as per the Income Tax Rules, 1962. This shall however, be subject to a ceiling of 10% of salary.

Medical Reimbursement: Expenses incurred for self and his family member subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

Leave Travel Concession: For self and his family members once in a year incurred in accordance with the rules specified by the company.

Club Fees: fees of clubs subject to a maximum of two clubs; this will not include admission and life membership fees.

Personal Accident Insurance: Premium not to exceed Rs. 4,000/- per annum on any policy, if any, taken by the company or reimbursement to him in this behalf.

CATEGORY 'B'

The following perquisites shall also be allowed and they will not to include in the computation of the ceiling on perquisites mentioned above and as permissible under existing law:

- i. Company's contribution to Provident Fund @ 10% of the salary or such higher amount as may be permissible under the law.
- ii. Company's contribution towards Superannuation Fund as per the rules of the company's superannuation scheme as may be applicable from time to time provided however that the company's contribution to the superannuation fund together with contribution to the Provident Fund shall not exceed 25% of the salary or any other higher amount that may be permissible under the law.
- iii. Gratuity in accordance with the rules of the company as applicable to the senior executives of the company but not exceeding half a month's salary for each completed year of service.
- iv. Encashment of leave at the end of the tenure shall not be included in the computation of ceiling on perquisites.

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CATEGORY 'C'

Provision for car with driver and telephone at residence provided that personal long distance calls on telephone and use of car for private business shall be recovered by the Company.

The board commends the resolution for your approval.

Shri Dharam Pal Gupta, Shri Mahi Pal Gupta, Shri Amit Mahipal Gupta and Shri Adarsh Mahipal Gupta are interested in the above resolutions in terms of applicable provisions of the Companies Act, 1956.

The Terms and Conditions of the appointment of Shri Mahi Pal Gupta as Managing Director as set out above may also be treated as an abstract of the terms and condition of the draft agreement between Shri Mahi Pal Gupta and the Company under Section 302 of the Companies Act 1956.

ITEM NO. 11

Smt. Sneha Goel was appointed as Officer – Imports and was associated with the company since December 1, 2009.

She had made comprehensive research for the new source of material, technology and market for the products of the company. In this regard, she had traveled extensively in China, USA, Europe, Australia and started developing various alternate source of raw material and also the marketing of the products of the company.

As per Section 314(1)(b) of the Companies Act, 1956, the Company can pay remuneration to the relative of director upto the limit of Rs. 50,000/- per month with the approval of shareholders.

The company has paid remuneration of Rs. 20,000/- per month upto February 28, 2010 and Rs. 40,000/- per month from March 1, 2010 to Smt. Sneha Goel. As per the

provisions of Companies Act, 1956, consent of shareholders is required for payment of remuneration to any relative of director if it exceeds Rs. 10,000/- per month.

Shri Mahi Pal Gupta, Shri Amit Mahipal Gupta and Shri Adarsh Mahipal Gupta are concerned or interested in the above resolution.

ITEM NO. 12

Regulation 6 of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2009 permits voluntary de-listing of securities from one or more Stock Exchanges without giving any exit opportunity, if the company's shares continue to be listed at the Stock Exchanges having nationwide terminals i.e. NSE and BSE.

The approval of the members is sought to be obtained for de-listing of shares of the Company from Jaipur Stock Exchange Limited, Jaipur and Madras Stock Exchange Ltd., Chennai, in view of negligible trading activity in the shares of the company at the said stock exchanges. However, the Company's equity shares shall continue to be listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), Mumbai since the trading of equity shares of the company take place at NSE & BSE and also to maintain the liquidity. The proposed de-listing would provide less paper work, administrative convenience, and savings in cost, as the listing fees paid to the exchanges is disproportionately higher than the trading volumes etc. As a part of its cost reduction measures, the Company has proposed this resolution.

The Company is issuing Special Notice of the proposed enabling resolution in one National Newspaper on all India basis mentioning that the proposed de-listing of the Company's Securities from the Stock Exchanges, as and



when the same takes place, will not adversely affect the investors and that the Company's Securities will continue to be listed on NSE & BSE. The delisting will take effect after all approvals, permissions and sanctions received. The exact date on which delisting will take effect will be suitably notified at that time.

The Board recommends the resolution for approval of members.

None of the Directors of the Company is in any way, concerned or interested in the resolution except to the extent of their shareholding in the company, if any.

ITEM NO. 13

There are certain assets with the company which are not in use and lying in idle condition. The Board considered these assets as Non-

Performing Assets, viz. assets situated at Mahar House, Amer Road. The Board also considered a part of land situated at Sitapura Industrial Area, Jaipur as idle and propose to dispose off the same subject to the approval of Financial Institutions/Banks and shareholders to meet out the funds requirement for the company.

The Board proposes to dispose off the Non-Performing Assets to utilize the proceeds to meet out working capital requirements and obligations of secured and unsecured creditors.

Accordingly, consent of shareholders is being sought under Section 293(1)(a) of the Companies Act, 1956.

None of the directors are concerned or interested in the above resolution except to the extent of shares held by them in the company.

Place : Jaipur
Date : 14.08.2010

By order of the Board
Sd/-
(Vishal Agarwal)
Company Secretary



AUTOLITE (INDIA)LIMITED

Regd. office : D-469, Road No. 9-A, V.K.I. Area, Jaipur-302013 (Raj.)

D.P. ID*	
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PROXY FORM

Reg. Folio No.	
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Client Id*	
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No. of Shares held	
--------------------	--

I/We _____ of _____
in the district of _____
being a member/members of Autolite (India) Ltd. hereby appoint _____
of _____ in the district of _____
or failing him/her _____ of _____
in the district of _____ as my/our
proxy to vote for me/us and on my/our behalf at the 33rd Annual General Meeting of the company to be held on
Tuesday, the 28th September, 2010 at 11:00 A.M. and at any adjournment thereof.

Signed this _____ day of _____ 2010

Re. 1/- Revenue Stamp

Signature _____
Address _____

Note : This form duly completed and signed must be lodged at the Registered Office of the Company not less than 48 hours before the Meeting .

AUTOLITE (INDIA)LIMITED

Regd. office : D-469, Road No. 9-A, V.K.I. Area, Jaipur-302013 (Raj.)

D.P. ID*	
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ATTENDANCE SLIP

Reg. Folio No.	
----------------	--

Client Id*	
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No. of Shares held	
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I hereby record my presence at the 33rd Annual General Meeting of the company held at E-526-530, RIICO Industrial Area, Sitapura, Jaipur on Tuesday, the 28th September, 2010 at 11:00 A.M.

Full name of member (IN BLOCK LETTERS) _____

Full Name of Proxy (IN BLOCK LETTERS) _____

Member's/Proxy's Signature _____

NOTE :

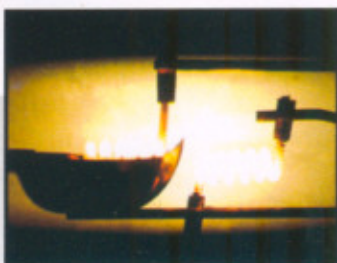
Shareholders/Proxy holders are requested to bring the attendance slips with them duly completed when they come to the meeting and hand over at gate after putting their signature on them.

* Applicable for Investors holding shares in electronic form



Excellence in Lighting

Manufacturing & Testing Facilities





World is our Market

Lighting is our Business



- ✚ Plants
- Markets
- Office

BOOK POST

If Undelivered, Please Return to:-
Autolite (India) Limited
D-469, Road No.9A
V.K.I. Area, Jaipur-302013